SOCIAL SERVICE REVIEW

VOLUME 90 Nº 1 MARCH 2016 *University of Chicago Press*

SOCIAL SERVICE REVIEW

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The Frank R. Breul Memorial Prize

I am pleased to announce that the 2016 Frank R. Breul Memorial Prize has been awarded to Melissa Hardesty. Established by the School of Social Service Administration at the University of Chicago, the prize pays tribute to Professor Breul's career as an educator, administrator, and editor of *Social Service Review* (*SSR*). The prize is awarded annually for what is judged to be the best article published in *SSR* in the preceding year. This year's prize honors "Epistemological Binds and Ethical Dilemmas in Frontline Child Welfare Practice," which appears in the September 2015 issue. Here is a sample of comments members of *SSR*'s external Editorial Board offered in helping select the best article: "The Hardesty article is a wonderful, thought-provoking example of a qualitative study grounded in both theoretical and epistemological conceptualization. While it deals with a specific group of social workers, it lays the ground for theoretical generalization of its findings to many other social work domains." "I would take this text and offer it as a challenge to professionals in the process of becoming. Must one surrender nuance, hunch, intuition, and gut feeling in presenting case summaries?" "I find in Hardesty's extraordinarily complex and challenging study grist for multiple discussions about the future of child welfare—research, policy, and particularly direct practice—that can enhance and enrich the contemporary service scene for years to come."

Melissa Hardesty is an assistant professor in the Department of Social Work at North Carolina State University. Her research explores the ethical and emotional dimensions of frontline casework with a particular focus on social service interventions aimed at families and kinship structures.

Susan J. Lambert
Editor

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Living Wage Ordinances and Wages, Poverty, and Unemployment in US Cities

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ABSTRACT This article examines city-level trends in wages, poverty, and unemployment following the passage of municipal living wage ordinances. Drawing on 15 years of longitudinal data from 1995 to 2009, I first present an analysis of cities before and after the passage of living wage laws and then compare living wage cities to a matched sample of control cities that have not adopted living wage legislation. I find that the adoption of living wage ordinances is not associated with significant changes in wages, poverty, and unemployment at the city level. This can likely be traced to the relatively small proportion of urban workers covered by most existing living wage laws.

INTRODUCTION

Living wage ordinances have been adopted in more than 140 cities and counties across the United States (Swarts and Vasi 2011). These policies mandate that firms receiving assistance or contracts from local governments must pay their workers enough to provide an above-poverty standard of living. While this standard is defined differently across localities, most ordinances set a wage floor that allows a full-time worker with a family of three to live above the federal poverty line, a rate well above existing federal and state minimum wages (Brenner 2005). Drawing on support from grassroots activists, organized labor, and community organizing groups, proponents hail the living wage as a landmark antipoverty initiative (Luce 2004; Freeman 2005; Gertner 2006). However, living wage ordinances have also been a source of controversy. Opponents maintain that businesses cannot afford to pay their employees a living wage (Macpherson 2004). A common refrain is that living wage laws force employers to lay off workers or relocate to areas with cheaper labor (Gertner 2006; Thompson and Chapman 2006; Pollin et al. 2008). These outcomes are said to increase unemployment and

Social Service Review (March 2016).
0037-7961/2016/9001-0001$10.00

even raise poverty rates (Krugman 1998; Employment Policies Institute 2001).

A number of scholars have attempted to evaluate these claims. Some studies focus on the firms that fall under the jurisdiction of living wage legislation (e.g., Fairris 2005), while others focus on outcomes for the individual workers who may be eligible to earn a living wage (e.g., Adams and Neumark 2005; Brenner and Luce 2005). Research in both traditions largely appears to support the claims of living wage advocates. However, another research question remains unresolved: what influence do living wage ordinances have on the municipalities that adopt them? Since the effects of such policies may spill over to workers beyond those who are explicitly covered by the ordinances (Pollin et al. 2008) and living wage campaigns often spark mobilization for other progressive causes (Reynolds 2001; San Francisco Living Wage Coalition 2015), it is especially important to understand the broader outcomes these governing bodies should anticipate when deciding whether to adopt a living wage ordinance.

This article evaluates how the passage of living wage ordinances is associated with wages, poverty, and unemployment at the city level. I first examine trends in a sample of US cities that passed living wage laws. I then compare the sample of living wage cities to a control group of cities without living wage ordinances in order to evaluate the relationship between the passage of living wage legislation and changes in average wages and rates of poverty and unemployment. This research will inform debates about the potential costs and benefits for cities adopting living wage ordinances and will help in assessing the value of these policies in reducing urban poverty.

LIVING WAGE ORDINANCES

Proponents of a living wage contend that those who work a full-time job should be guaranteed an income that provides them and their dependents with a basic standard of living. There are a number of ideas regarding what type of standard of living is appropriate, but a common conception of a living wage is that it should put the recipient above the US federal poverty line (Brenner 2005).[1] Starting with Baltimore in 1994, more than 140 cities and counties across the United States have approved some form of living wage

1. In practice, the federal poverty line has been shown to be an inadequate threshold for a minimum standard of living (Brady 2003).

ordinance (Pollin et al. 2008). A variety of groups have spearheaded successful living wage campaigns, including grassroots activists, organized labor, and community organizing associations (Nissen 2000; Martin 2001; Luce 2004; Freeman 2005).

Organized labor has been instrumental in the success of the living wage movement (Reynolds 2001; Luce 2005*a*). Union support for living wage ordinances can be traced to a number of factors. At a basic level, some labor groups get involved in living wage campaigns because many union workers stand to benefit from the proposed increases (Freeman 2005). In addition, some union support for living wage campaigns can be traced to the fact that the passage of living wage ordinances makes the privatization of union jobs more expensive and thus less likely (Nissen 2000; Neumark 2004). Finally, many labor leaders have supported the living wage as part of a general strategy for revitalizing labor movements (Levin-Waldman 2008).

A variety of grassroots groups and coalitions have also emerged as advocates for living wage campaigns. Starting with the church-based group Baltimoreans United in Leadership Development (BUILD), considerable support has come from religious organizations and individual religious leaders (Nissen 2000; Gertner 2006). In addition, local coalitions such as Sustainable Milwaukee and San Jose's Working Partnerships USA have made the passage of living wage ordinances a centerpiece of their organizing strategies. In many cases, mobilization in support of living wage ordinances has had a more widespread effect. For example, San Francisco's Living Wage Coalition began as an effort to increase wages for municipal workers at the San Francisco Airport, but currently it works in support of the city's citywide minimum wage law and other progressive causes (San Francisco Living Wage Coalition 2015).

Despite the diversity in the organizations behind each ordinance, the vast majority of living wage laws have incorporated several common features. First, living wage ordinances have been adopted primarily at a city or a county level. Second, the majority of living wage laws set a wage floor at a threshold deemed sufficient to provide a minimum standard of living. Such standards are commonly set using a comparison to the federal poverty line (such as 130 percent of the poverty line for a family of three) and are typically adjusted annually to account for inflation (Holzer 2009). Third, many living wage ordinances include provisions requiring employers to pay a higher wage if they do not provide health insurance. For example, Burlington's \$13.94 living wage increases to \$15.83 for workers who do not

receive insurance. In comparison, Vermont's state minimum wage is $9.15, and the national minimum wage is currently $7.25.

Finally, a critical feature of living wage ordinances, as currently implemented, is that they do not extend to all low-income workers.[2] Instead, they are aimed at workers holding jobs that are sponsored by public funds. For example, many ordinances apply only to businesses holding service contracts with the city government. In addition, some ordinances are extended to all businesses that receive financial assistance from the city (Adams and Neumark 2005; Fairris 2005). Other ordinances require living wage coverage for all municipal employees, although such provisions are less common.

Given these restrictions, the percentage of workers affected by a living wage ordinance in a given city is typically relatively small. In a review of living wage coverage in several high-profile cities, Robert Pollin and colleagues (2008) estimate that approximately 7,500 workers in Los Angeles, 3,111 workers in Oakland, 2,300 workers in Detroit, 1,760 workers in Chicago, and 1,500 workers in San Jose were covered by living wage ordinances. Based on these numbers, they estimate that living wage ordinances typically cover less than 0.2 percent of the workforce in a given Metropolitan Statistical Area (MSA). Although this estimate does not include the full range of noncovered workers who may receive wage increases due to potential ripple effects of living wage ordinances (Pollin et al. 2008), they emphasize the low coverage associated with limiting the living wage to the employees of contractors and businesses receiving city assistance.

PRIOR RESEARCH ON THE LIVING WAGE

In response to the intense public debates, scholars have attempted to evaluate the effects of living wage ordinances. Research has typically examined outcomes of living wage ordinances on three distinct analytical levels: the firm level, the individual level, and the municipal level.

FIRM-LEVEL OUTCOMES

A sizable literature examines the influence of living wage policies on individual firms. Mark Brenner (2005) studies the consequences of the living

2. This differentiates living wage ordinances from the comprehensive minimum wage laws that have been adopted by 27 US cities. These laws cover all businesses in a city.

wage ordinance passed by the city of Boston in 1998 and finds evidence of compression of the wage distribution in firms affected by the ordinance but reports little evidence of disemployment. However, Scott Adams and David Neumark (2004) take issue with Brenner's conclusions and suggest that his analyses actually do provide evidence of employment reductions. In contrast, Pollin and colleagues (2008) argue that living wage laws have a negligible cost to businesses. They also find that living wage ordinances apply to fewer workers than is commonly imagined, that labor costs do not increase significantly, and that it is more expensive for employers to relocate than to increase wages.

The literature on firm-level effects also provides some evidence that living wage ordinances could have consequences beyond labor costs. Brenner (2005) finds that increasing pay rates to a living wage improves morale and productivity among workers. David Fairris (2005) suggests that the 1997 Los Angeles living wage ordinance was associated with a reduction in worker turnover and absenteeism. In their study of the San Francisco International Airport living wage policy, Michael Reich, Peter Hall, and Ken Jacobs (2005) also find evidence of reduced turnover, improved morale, and greater effort among workers.

INDIVIDUAL-LEVEL OUTCOMES

Another line of research attempts to estimate the effects of living wage ordinances on the individual workers covered by the legislation. Mark Brenner and Stephanie Luce (2005) survey 105 workers covered by Boston's living wage ordinance. Based on this sample, they estimate that among workers who became eligible for a pay raise as a result of the ordinance, real wages increased by almost 25 percent. In addition, Brenner and Luce find evidence of reduced poverty among workers covered by Boston's living wage ordinance, although they note that the law is less successful in moving workers above a higher earnings threshold that they think more accurately reflects a basic standard of living.

Neumark and Adams investigate whether the passage of living wage laws leads to growth in wages, decreased employment, and reductions in poverty for low-income workers (Neumark and Adams 2003*a*, 2003*b*; Adams and Neumark 2004, 2005). Using microdata from the Current Population Survey (CPS), they examine workers living in areas that have adopted living wage ordinances. Since the CPS does not assess whether respondents are

employed by firms that are subject to living wage increases, Neumark and Adams cannot identify the workers who actually benefited from living wage ordinances. Instead, they attempt to approximate this information by comparing trends in wages, employment, and poverty for the lowest paid workers in living wage and non–living wage cities.[3]

Neumark and Adams highlight three primary findings. First, living wage ordinances do increase wages for low-wage workers. Second, the passage of living wage ordinances is associated with some disemployment. Third, living wage ordinances reduce the incidence of poverty. In order to evaluate the validity of this result, they also examine whether living wage laws cause low-income families to experience changes in income that do not move them across the official poverty threshold. Based on this more detailed analysis, they conclude that living wage ordinances do deliver net benefits to low-income families (Adams and Neumark 2005).

MUNICIPAL-LEVEL OUTCOMES

While scholars have explored the effects of living wage ordinances on individual firms and covered workers, much less is known about how these policies influence the broader economic environment in urban areas. This question is highly relevant to both public and academic debates. In the public sphere, questions about the macroeconomic effect of living wage ordinances have been highly contentious. The primary source of resistance comes from businesses and business groups, which typically argue that living wage increases will force employers to resort to layoffs, limiting employment opportunities and lowering incomes (Employment Policies Institute 2001; Macpherson 2004). Some even claim that employers will have to relocate to cities with cheaper labor or stop bidding on city contracts (Pollin et al. 2008). While he was eventually overridden by the city council, Los Angeles Mayor Richard Riordan vetoed the city's living wage ordinance, stating, "The very job-creating companies the city seeks to bolster may be unable to absorb another increase in the cost of doing business" (Merl 1997). In an analysis of the San Jose campaign, David Reynolds (2001, 41) describes

3. A number of scholars have criticized this methodology (Thompson and Chapman 2006; Pollin et al. 2008; Holzer 2009). According to Pollin and colleagues (2008), Neumark and Adams's approach vastly overestimates the number of workers affected by living wage ordinances and produces estimates that are simply too large to be feasible.

efforts by the Chamber of Commerce to frame the ordinance as a policy that would "destroy the economic future of the community."

While proponents of living wage ordinances have supported the issue for a number of reasons, including appeals for social justice and a desire to catalyze progressive coalitions (Reynolds 2001), many frame their support around the potential for broad macroeconomic benefits. During the early 2000s, the American Federation of State, County, and Municipal Employees promoted the adoption of living wage ordinances on the grounds that "living wages fight poverty" (American Federation of State, County, and Municipal Employees 2002). Pollin, an economist and leading living wage advocate, also frames the issue in wide-ranging terms, stating "The living wage movement is therefore not just about raising the minimum wage; it is about addressing the broad issues of income distribution and economic justice in the United States" (Pollin et al. 2008, 20–21).

Beyond the arguments of living wage advocates and opponents, the possible macroeconomic consequences of living wage ordinances are also relevant to academic debates. One important question concerns the possibility that living wage ordinances can produce ripple effects, which extend beyond the contract workers who are covered by living wage legislation (Pollin et al. 2008). Brenner and Luce (2005) estimate that Boston's living wage ordinance may have affected almost twice as many workers as were officially covered. One hypothesis is that workers earning just above the living wage threshold in firms required to follow living wage mandates will also receive an increase in wages. This prediction is based on the notion that such workers will demand a wage increase to preserve their place in the firm's pay distribution (Wicks-Lim 2006). Another argument is that living wage ordinances lead to wage increases for workers in noncovered firms because such legislation may force businesses in sectors with high living wage coverage to raise wages to remain competitive (Pollin et al. 2008). This is similar to theories about the role of unionization in raising wages for nonunion workers, as employers try to prevent employees from leaving for better paying unionized firms (Leicht 1989). Finally, living wage campaigns often serve as a springboard for labor and social movement activity (Luce 2005*a*; Levin-Waldman 2008; Doussard 2015; San Francisco Living Wage Coalition 2015). Thus, it is possible that the passage of living wage ordinances affects broader economic outcomes by helping to establish a climate conducive to worker organizing. Anecdotal evidence of this phenomenon can be seen in the fact that 12 cities that passed living wage ordinances have gone

on to adopt more expansive city-wide minimum wage legislation. These possibilities highlight the importance of accounting for the broader consequences of living wage ordinances on local labor markets.

Despite questions and debates about the macroeconomic effects of living wage ordinances on the municipalities that adopt these policies, relatively few studies have examined this issue. One line of research in this area examines city budgets and contracting costs. Although some critics charge that requiring contractors to pay their workers a living wage will drive up contracting costs and cause cities to spend more on projects, available evidence suggests that the cost of hiring contractors does not significantly increase (Elmore 2003; Thompson and Chapman 2006). Contracts won through unit-cost bidding appear to be exceptions to this rule (Brenner and Luce 2005), and some firms do report passing on increased costs to cities (Fairris et al. 2005), but most cities faced contracting costs that increased by less than 0.1 percent of the overall budget following the passage of living wage legislation (Elmore 2003). Further research is required to explain this phenomenon, but preliminary evidence suggests that living wage policies level the playing field with respect to firms that were once able to pay their employees an extremely low wage. This encourages more firms to bid for contracts, driving down contracting costs for cities (Fairris et al. 2005).

The effects of living wage policies on city- or county-wide wages, poverty, and unemployment remain ambiguous. Suzanne Clain (2007) examines the association between living wage ordinances and poverty in 42 counties that passed living wage legislation prior to 2003. She uses fixed effects models to compare counties with living wages to other counties and finds that living wage ordinances reduce poverty rates at the county level. Clain's research does not examine whether living wages laws affect unemployment.

Richard Toikka, Aaron Yelowitz, and Andre Neveu (2005) examine the links between living wage laws and city-level poverty rates using data from the Survey of Income and Program Participation (SIPP). Restricting their analyses to seven cities that passed living wage legislation before 1999, they focus on the ways that living wage policies interact with other means-tested programs such as Aid to Families with Dependent Children (AFDC)/Temporary Assistance for Needy Families (TANF), food stamps, public housing, and the Earned Income Tax Credit (EITC). According to their research, many of the benefits of living wage ordinances in raising family incomes are offset by benefit reduction and increased taxation (Toikka et al. 2005). A notable limitation of this approach is that it does not estimate the effects of

actual living wage ordinances. Instead, it simulates a situation in which all workers in a city are eligible for a living wage increase. Since no living wage ordinances cover such a high proportion of workers, it is difficult to draw any clear conclusions about living wage laws.

James Buss and Arthur Romeo (2006) explore the potential disemployment effects of living wage ordinances by examining unemployment growth and unemployment rates in cities before and after the adoption of living wage ordinances. Overall, Buss and Romeo conclude that the majority of cities in their sample have not experienced negative labor market consequences following living wage adoption. However, their analysis only compares cities before and after living wage adoption and does not control for competing explanations. This makes it difficult to evaluate the implications of their findings.

OVERVIEW AND OBJECTIVES

This article makes three primary contributions. First, a central motivation for this project is to inform policy debates about the macroeconomic outcomes a city can anticipate when it decides to adopt a living wage policy. While research has explored the effects of living wage ordinances on firms and individual covered workers, much less is known about how these policies shape the broader economic environment in urban areas. If living wage ordinances are not associated with reductions in poverty rates or if any reductions are offset by greater unemployment, then living wage policies may be less appealing to officials seeking to combat poverty. In contrast, if living wage laws are associated with higher wages and lower poverty rates without a corresponding increase in unemployment, arguments that these ordinances will do substantial harm to a city's economy may be unfounded (e.g., Macpherson 2004).

Second, I aim to advance scholarship on living wage ordinances with up-to-date data and more comprehensive analysis. Existing research on this topic is subject to several key methodological limitations. A number of living wage ordinances were adopted after the publication of previous studies on this issue (e.g., Toikka et al. 2005; Buss and Romeo 2006; Clain 2007). Recent trends in other living wage cities also remain unexamined. In addition, prior studies have explored a limited number of outcomes, and they have not explored trade-offs between poverty and unemployment (e.g., Toikka et al. 2005; Clain 2007). Further, some studies are not designed to control for

alternative explanations (e.g., Buss and Romeo 2006). To address these issues, I present the first city-level analysis of trends in wages, poverty, and unemployment before and after the passage of living wage ordinances using data from 1995 to 2009. My analysis also includes comparisons to a matched sample control of cities in order to account for the possibility that these trends might also be observed in the absence of living wage legislation.

Finally, while much of the existing research on the consequences of living wage ordinances has been restricted to economic literature (e.g., Adams and Neumark 2004, 2005; Brenner 2005; Pollin et al. 2008), the living wage is also highly relevant to the study of urban politics. By shifting the focus of living wage research away from firm-level effects and toward city-level outcomes, this article aims to better situate living wage ordinances within the field of urban politics. My approach is informed by research on spillover effects that expand the influence of wage regulations beyond the workers targeted to receive wage increases (Pollin et al. 2008) and by evidence that living wage movements can galvanize additional antipoverty activism (San Francisco Living Wage Coalition 2015). In this way, I hope to inform research on the intersection of social movements, politics, and poverty (e.g., Doussard 2015).

DATA AND METHOD

I evaluate the relationship between the passage of living wage legislation and wages, poverty, and unemployment at the city level. Drawing on data from 1995 to 2009, I first present an analysis of cities before and after the passage of living wage ordinances and then compare living wage cities to similar cities that have not adopted a living wage policy. Most living wage legislation has been approved and implemented by cities or counties. I seek to evaluate trends in wages, poverty, and unemployment at the city level. In this article, cities are operationalized as Metropolitan Statistical Areas (MSAs) in order to maximize data availability because data on wages, poverty, and unemployment are more widely available at the MSA level. While the correlation between cities and MSAs is imperfect, MSAs are an appropriate unit when studying living wage legislation because they are designed to include both a recognized population center and any adjacent communities with high levels of integration with that center (Spotila 2000). For these reasons, MSAs are commonly used in research on municipal living

wage ordinances (e.g., Adams and Neumark 2005; Levin-Waldman 2008; Pollin et al. 2008). For ease of exposition, I refer to cities rather than MSAs for the remainder of this article.

Although a total of 94 cities have approved living wage ordinances since 1994, 42 of these cities have populations that are too small to reliably estimate average wages and rates of poverty from survey data. In addition, nine cities repealed their living wage laws almost immediately after passage, so I exclude them from the analysis.[4] I also exclude cases in which a single MSA contains multiple municipalities that adopted living wage legislation at different times.[5] Finally, I only examine cities that passed living wage ordinances from 1995 onward.[6] This leaves a sample of 35 cities that passed living wage ordinances. Since this sample is nonrandom, this introduces the possibility that the results are biased by the selection of cities. The primary exclusion criterion is population, and, because MSAs with a population of approximately 125,000 or less in the year 2000 are not included, the results of this analysis cannot not be generalized to very small municipalities. Since cities that repeal living wage ordinances and metro areas with multiple living wage cities may be different than other living wage cities, the use of these factors as exclusion criteria also places limits on the generalizability of the results. However, I see this as a necessary trade-off to minimize bias introduced by error in the measurement of the living wage indicator. Table 1 lists the final sample of cities along with some basic information about each city's ordinance.[7]

4. The cities that repealed their living wage ordinances are Eau Claire, WI; Lacrosse, WI; New Orleans, LA; Hazel Park, MI; Camden, NJ; Hempstead, NY; Pittsburgh, PA; Salem, OR; and Omaha, NE.

5. This excludes Boston/Cambridge, Minneapolis/St. Paul, and San Francisco/Oakland/Berkeley.

6. The CPS data used in this project are limited in their ability to identify MSAs prior to 1995. Only Baltimore's 1994 living wage ordinance is excluded due to this limitation.

7. In addition to listing the initial living wage rate adopted by each city, I include information on recent adjustments to these wages. Available information cannot confirm the implementation of living wage ordinances in three cities: Albany, Miami, and Orlando. In addition, the Buffalo ordinance took several years to implement effectively (though it is now in full effect). To assess whether the results are driven by the possibility that living wage ordinances were adopted but not implemented in these cities, I drop them from the sample and then replicate all analyses. Results are robust to the exclusion of these cities.

TABLE 1. Living Wage Cities Included in the Sample

City Name	Year of Living Wage Passage	Coverage	Living Wage	Wage with/without Health Coverage	Known Update	Updated Living Wage	Updated Wage with/ without Health Coverage
Albany, NY	Sep-05	8, C	10.25	11.91			
Ann Arbor, MI	Mar-01	B, C	9.91	11.48	Apr-12	12.17	13.57
Bellingham, WA	Nov-02	C	10.00	11.5	Jul-06	10.81	12.43
Buffalo, NY	Aug-99	C	6.22	7.22	Jan-12	10.71	12.02
8urlington, VT	Nov-01	C, M	9.90	11.68	2012	13.94	17.71
Chicago, IL	Jul-98	C	7.60		Jul-12	11.53	
Cincinnati, OH	Dec-02	C, M	8.70	10.2	Apr-11	10.74	12.24
Cleveland, OH	Jun-00	B, C	8.20		Jul-06	10.00	
Dayton, OH	Jul-03	C	8.50	10.5	Jul-06	9.30	11.16
Denver, CO	Feb-00	C	8.50		Jan-11	10.75	
Detroit, MI	Nov-98	B, C	8.23	10.28	Jun-09	11.03	13.78
Duluth, MN	Jul-97	B	6.50	7.25	May-05	7.61	8.49
Gainesville, FL	Sept- 03	C	8.70	9.95	Mar-12	11.08	12.33
Hartford, CT	Oct-99	B, C	8.77	10.51	Jul-09	11.66	17.78
Lansing, MI	Sep-03	B, C	11.50		2009	13.79	
Los Angeles, CA	Mar-97	8, C, M	7.25	8.5	Jul-12	10.70	11.95
Louisville, KY	May-03	M	9.00		Jul-06	11.00	
Madison, WI	Mar-99	B, C, M	7.91		Jan-12	11.82	

Miami, FL	Apr-06	C, M	10.58	11.83			
Milwaukee, WI	Nov-95	C	6.05		2011	8.80	
New Haven, CT	Apr-97	C, M	9.75		Jun-11	14.67	
New York, NY	Dec-02	C	8.10	9.6	Jul-06	10.00	
Orlando, FL	Aug-03	C, M	8.50				
Philadelphia, PA	May-05	C, M	7.30		Jul-09	10.88	
Portland, OR	Jun-96	C	6.75		Jul-06	8.91	10.57
Rochester, NY	Jan-01	B, C	8.52	9.52	Jul-12	11.11	12.41
Sacramento, CA	Dec-03	C, M	9.00	10.5	Feb-09	10.65	12.25
San Antonio, TX	Jul-98	B	9.27		Oct-11	10.60	
San Jose, CA	Nov-98	B, C	9.50	10.75	Jul-10	12.94	14.19
Santa Barbara, CA	Mar-06	C	12.00	14	Jul-11	13.50	15.75
St. Louis, MO	Aug-02	B, C	11.00	14.16	Apr-12	11.93	15.52
Syracuse, NY	May-05	C	10.08	11.91	Apr-12	12.19	14.40
Toledo, OH	Jun-00	B, C	8.58	10.14	2009	11.67	13.79
Tucson, AZ	Sep-99	C	8.00	9	Dec-12	9.84	11.07
Washington, DC	Jan-06	B, C	11.75		Jan-10	12.50	

Source.—Municipal codes, with supplemental information from city websites and the National Employment Law Project (2011).
Note.—In the Coverage column, B = firms receiving some form of business assistance from the city, C = city contractors and subcontractors, and M = municipal employees.

The primary source of data for this project is the Current Population Survey (CPS).[8] In order to obtain the most accurate estimates of MSA-level poverty rates, I aggregate data from the CPS's March supplement. Data on average wages come from the CPS's monthly outgoing rotation group files (ORGs). The use of CPS microdata to estimate city-level wages and poverty rates is based on the principle that large- and medium-sized metropolitan areas in the sample are self-representing (US Census Bureau 1997). However, some of the MSAs examined in this project have relatively low representation in the CPS. To ensure that the estimates are not biased by small CPS samples, I weight all regression estimates of average wages and poverty rates by their error variances. Unemployment rates come from the Bureau of Labor Statistics' Local Area Unemployment Statistics program (LAUS; Bureau of Labor Statistics 2008).

The dependent variables in this analysis are city-wide wages and rates of unemployment and poverty. Wages are converted to 1995 dollars using a personal consumption expenditures (PCE) price index and logged. I examine logged average wages for the total city population, as well as for several sociodemographic subgroups that are likely to be affected by the adoption of a living wage ordinance: those with a high school education or less and those in the bottom 25th and 10th percentiles of a city's income distribution. Poverty rates are calculated by dividing the number of individuals classified as poor by the total number of residents in the CPS sample for a given MSA-year.[9]

The primary independent variable is a dummy variable that switches on to indicate the presence of living wage legislation in a given city in a given year. It is worth noting that with this approach, unmeasured changes that

8. Pollin and colleagues (2008) have highlighted some important limitations of using the CPS to study the effects of living wage ordinances on individual workers (also discussed in footnote 3). Specifically, the CPS does not include information on whether workers receive a living wage. Since my focus is not on individuals but rather on the city-level effects of living wage ordinances, I avoid any such problems by using the CPS only as a source of aggregate-level estimates of average wages and poverty.

9. In analyses not shown, I also replicate the analysis of the association between living wage ordinances and poverty using two alternative measures of the prevalence of low incomes: the rate of incomes less than 125 percent of the poverty line and the rate of incomes less than 150 percent of the poverty line. These measures are designed to estimate the effects of living wage policies on workers who are low-income but not officially poor. The use of these alternative measures of low income prevalence does not change the results.

occur in cities at the same time as the adoption of living wage legislation cannot be easily separated from the laws themselves. As such, this research strategy can best be said to estimate the combined effects of living wage laws and other changes that accompany living wage campaigns rather than the effects of the ordinances in isolation (Adams and Neumark 2005). In addition, it is important to account for the fact that living wage ordinances do not always go into effect immediately following their passage and that full implementation of living wage laws can be a slow process (Luce 2004, 2005*b*). Thus, the living wage indicator is lagged 1 year after living wage adoption. This ensures that the model captures potential delays in implementation. In an analysis not shown, I also model the association between living wage ordinances and municipal outcomes without lags, but this does not substantively change the results.

The analysis proceeds in two stages. In the first stage, I restrict the sample to the 35 cities that adopted living wage legislation and can be appropriately studied with CPS data (see table 1). With 15 years of data, this results in 525 observations. This simple pretest-posttest design allows for an analysis of trends in average wages, poverty, and unemployment in cities receiving the living wage "treatment." Each model includes MSA fixed effects. Fixed effects models are useful in this analysis because many unobserved city-specific factors that might be related to wages, poverty, and unemployment (such as local political factors or industries) are held constant within cities and effectively controlled. I also include year fixed effects to account for longitudinal trends that might influence labor markets. In addition, I adjust standard errors to account for clustering within MSAs.

In order to account for within-city changes not captured by the fixed effects, I control for a number of city-level characteristics that might be associated with trends in the dependent variables, including population size, the percent of workers belonging to a union, and the statewide minimum wage.[10] Population data for each MSA come from the 1990 and 2000 US Censuses. City-year observations prior to 2000 use data from the 1990 Census, and observations from 2000 through 2009 use data from the 2000 Census. Data on percent of workers belonging to a union are a continuous variable coded using data from the Union Membership and Coverage

10. It is important to control for existing minimum wage legislation because many living wage cities are in states with high minimum wages (Adams and Neumark 2005). For cities in states without a state minimum wage, I code the minimum wage as the federal minimum.

database (Hirsch and Macpherson 2003). Information about state minimum wage laws comes from the US Department of Labor (2010). Some living wage cities are located in counties that passed their own county-level living wage ordinances. To address this issue, I include a dummy variable that accounts for any periods when a county living wage law is in effect within each MSA. This allows for an analysis that accounts for city living wage ordinances separately from any county ordinances in the same MSA. I also control for a set of state-level characteristics, including the state unionization rate, state poverty rate, state unemployment rate, and logged state per capita GDP. The inclusion of these state-level factors allows for an analysis of the association between living wage ordinances and city wages, poverty, and unemployment that accounts for the broader state and economic context.

A potential limitation of this approach is that there may be factors affecting wages, poverty, and unemployment that also apply to cities without living wage ordinances. Thus, this design cannot rule out the possibility that any observed trends might also be observed in the absence of living wage legislation. To address this issue, in the second stage of the analysis, I compare the sample of living wage cities to a matched sample of non–living wage control cities.

Matching is a nonparametric method of controlling for the confounding influence of pretreatment control variables in observational data (Heckman, Ichimura, and Todd 1997; Iacus, King, and Porro 2009). When matching, the key principle is that control and treatment observations must be balanced on all factors that influence the likelihood of receiving the treatment condition (Ho et al. 2007; Morgan and Winship 2007). In order to identify the predictors of living wage adoption, I draw on studies of why cities pass living wage ordinances (Martin 2001, 2006; Luce 2004; Levin-Waldman 2008; Swarts and Vasi 2011).

Larger cities are more likely to adopt living wage policies (Martin 2001, 2006; Swarts and Vasi 2011).[11] Based on this observation, I match cities based on logged population. Although the living wage movement has been national, Isaac Martin (2001) finds that Southern US cities are less likely to pass living wage legislation than cities in other regions. As a result, I match cities based on whether they are in the South.

11. One potential explanation for the prevalence of living wage ordinances in larger cities is that such cities have greater leverage over business interests because many employers cannot easily relocate from major cities to avoid the costs of living wage laws (Martin 2006).

Research also suggests that a city's political climate matters for the adoption of living wage laws (Martin 2001, 2006; Swarts and Vasi 2011). The living wage movement is often considered to be progressive, and cities with more liberal populations may be more likely to support living wage campaigns. Based on this evidence, I match on political climate. This is measured with a continuous variable measuring the gap between the proportion of residents voting for Democratic presidential candidates and the national proportion of Democratic presidential voters (Leip 2010).[12] Since presidential elections occur once every 4 years, I linearly impute values of Democratic vote choice for the intervening nonelection years using data from the election years immediately preceding and following.

Organized labor represents another important component of a city's political climate, and labor unions are often strong supporters of living wage ordinances (Reynolds 2001; Luce 2005*a*). While not all living wage campaigns are tied to organized labor, qualitative analysis suggests that successful campaigns are often those that can draw on the support of local unions (Luce 2004). Thus, I match cities based on the percentage of the workforce belonging to labor unions (Hirsch and Macpherson 2003).

These factors represent the primary city-level characteristics that have been shown to influence the passage of living wage ordinances. Based on this information, I match cities on these key predictors using a form of Coarsened Exact Matching (CEM; Iacus et al. 2009). CEM is a matching procedure in which each variable is recoded so that substantively similar values are grouped into the same strata. Observations can then be matched based on these coarsened values (Iacus et al. 2009). This approach restricts potential matches to those within relevant thresholds of the key variables. A key limitation of common matching methods like propensity score matching is the lack of substantive information on what level of similarity in propensity scores between treatment and control cities is sufficient to be considered a good match. These procedures prioritize maximizing the number of matches over reducing imbalance between the treatment and control groups. CEM is designed to address these issues by placing a predetermined

12. Information on presidential elections is not available at the MSA level, so I use data at the county level. While counties do not perfectly align with MSAs, most MSAs contain the majority of the population of a given county and so the county-level election data represent an acceptable proxy for MSAs.

and substantively informed limit on the amount of imbalance allowed between the treatment and control cities (Iacus et al. 2010).[13]

In this analysis, I identify population, unionization, Democratic voting, and geographic region (South or non-South) as key predictors of living wage adoption. Drawing on a sample of 141 non–living wage cities that can be identified in the CPS,[14] I match cities that have similar average values of these variables during the pretreatment period. For geographic region, each city is city coded as South or non-South, and I match Southern living wage cities to other Southern cities and non-Southern living wage cities to other non-Southern cities. For population, unionization, and Democratic voting, I sort each city into a stratum based on its place in the distribution of these variables. I then match living wage cities to control cities with the same values of these coarsened variables (without replacement). I start by one-to-one matching cities in the same quintile of the distribution of each matching variable. If a match cannot be found for a given living wage city, I match cities in the same quartile, and then tercile of the matching variable's distribution. Eight living wage cities cannot be appropriately matched with control cities even after variables are coarsened into terciles. Since matching is most effective with maximal balance between treatment and control observations, I exclude these eight cities from the analysis to ensure that each city is matched to a control city with a comparable likelihood of living wage adoption. While this approach further restricts the sample of living wage cities, it protects against the bias introduced by imbalance between treatment and control units.

This one-to-one matching approach results in a sample of 27 non–living wage cities that serve as the control group in the second stage of my analysis. As shown in appendix table A1, available online, the matching procedure produces a control group that is similar to the group of living wage cities on both the pretreatment predictors of living wage adoption and the outcome variables. To further assess how well the control cities operate as controls, I graph trends in the dependent variables in the pretreatment years for the living wage and control cities in figure 1. As this figure shows, wages,

13. In analyses available from the author on request, I generate a sample of control cities using a standard propensity score approach. Results are robust to this alternative matching procedure.

14. This includes every MSA in the CPS with person observations from 1995 through 2009, but it excludes cities with too few observations on which to reliably construct aggregate estimates of wages and poverty.

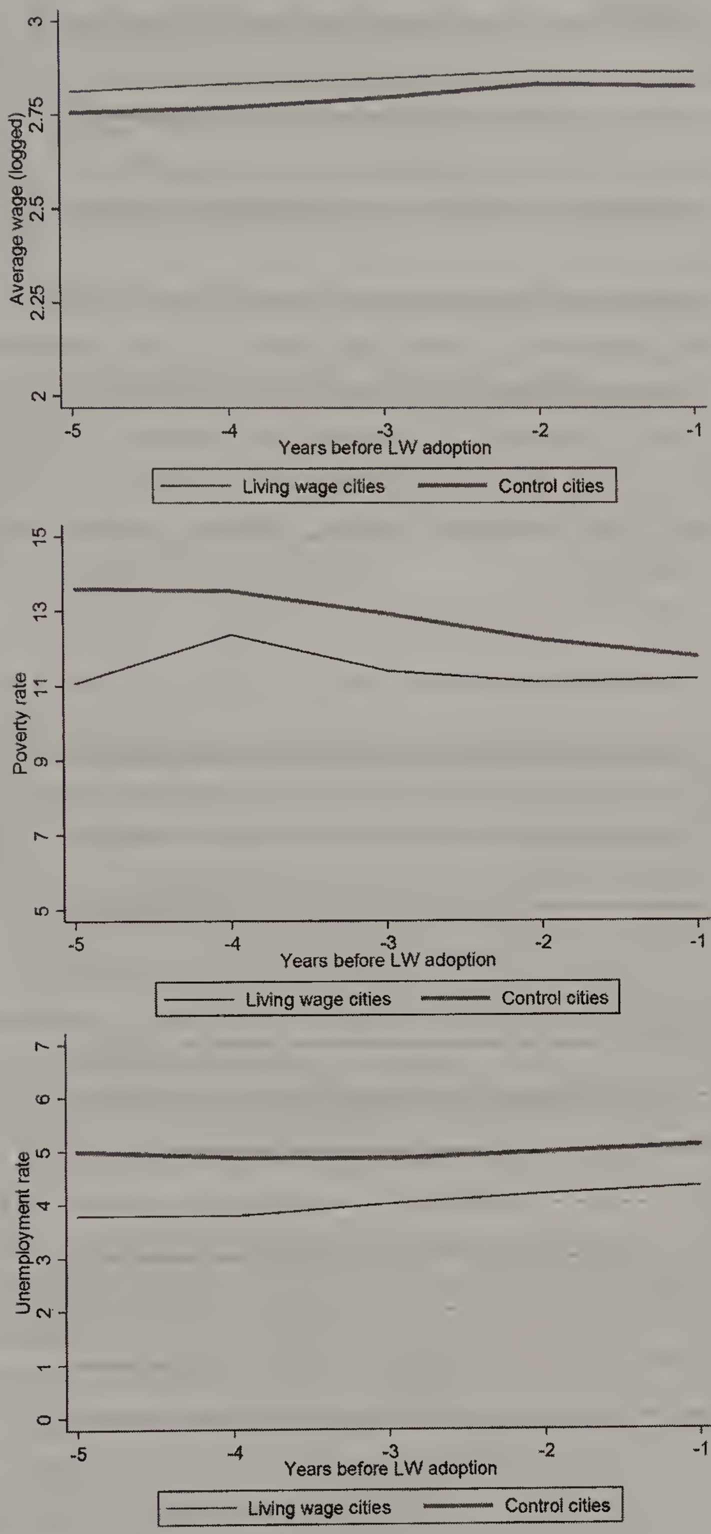

FIGURE 1. Trends in dependent variables in pretreatment years. A colored version of this figure is available online.

poverty, and unemployment move in similar directions in the 5 years leading up to living wage adoption in both groups of cities. This provides further evidence that the matching procedure results in a sample of control cities that is comparable to the living wage cities. This sample of living wage cities and the corresponding control cities are listed in appendix table A2 (available online).

For the sample of 54 living wage and control cities, I fit linear regression models of the relationship between living wage adoption and average wages, poverty, and unemployment. With 54 cities, I examine a total of 809 city-year observations. The models include the same control variables as the first set of analyses and the living wage indicator is again lagged 1 year. As with the first stage of the analysis, I adjust standard errors to account for clustering within MSAs.

RESULTS

Table 2 presents fixed effects models of the relationship between living wage adoption and wages among cities that adopted living wage ordinances. The first column displays the regression on logged average wages for the whole city. It shows that average city-wide wages are not significantly higher following the passage of living wage adoption. Column 1 also shows the relationship between wages and other city-level variables. As might be expected, average wages are positively associated with population, unionization, and higher minimum wage thresholds. Only the coefficient for population meets the 0.05 threshold for significance. Column 2 adds state-level control variables, and the inclusion of these factors does not change any results.

Columns 3–8 of table 2 replicate these analyses for relevant subsections of the municipal population. These results show trends similar to those for average wages. In the years after the adoption of a living wage ordinance, average wages do not increase or decrease significantly for those with a high school degree or less, those in the bottom 25th percentile of the wage distribution, or those in the bottom 10th percentile. Here the coefficients for the control variables are again signed in the expected direction, with unionization and minimum wage thresholds showing a positive association with wages.

Table 3 displays fixed effects models of the relationship between living wage adoption and rates of poverty and unemployment for living wage

TABLE 2. Fixed Effects Models of Logged Average Wages in Living Wage Cities, 1995–2009

	Average Wages		Average HS Wages		Average 25th Percentile Wages		Average 10th Percentile Wages	
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Living wage ordinance	−.003	−.006	.009	.008	.005	.005	.003	.007
(1 year lag)	(.007)	(.006)	(.008)	(.007)	(.005)	(.005)	(.007)	(.008)
Log population	.168**	.143*	.133*	.104*	.147**	.095	.148*	.109
	(.056)	(.055)	(.052)	(.045)	(.051)	(.055)	(.059)	(.072)
Unionization	.001	.000	.002	.001	.003*	.002*	.003**	.002**
	(.001)	(.001)	(.002)	(.001)	(.001)	(.001)	(.001)	(.000)
Minimum wage	.002	−.003	.011	.007	.003	.000	.020**	.015*
	(.005)	(.005)	(.006)	(.005)	(.004)	(.004)	(.006)	(.005)
County living wage	−.008	−.007	−.001	−.003	−.007	−.005	−.001	.000
	(.007)	(.007)	(.008)	(.008)	(.009)	(.007)	(.010)	(.010)
State unionization rate		−.001		.005*		.004*		.006**
		(.002)		(.002)		(.002)		(.002)
State GDP per capita (logged)		.112		.136		.084		.018
		(.080)		(.084)		(.082)		(.089)
State poverty rate		−.006*		−.003		−.004		−.003
		(.003)		(.003)		(.003)		(.004)
State unemployment rate		.001		−.002		.000		−.003
		(.002)		(.003)		(.003)		(.003)
Number of cities	35	35	35	35	35	35	35	35
Number of observations	525	525	522	522	525	525	525	525

Note.—Standard errors are in parentheses. Year and Metropolitan Statistical Area (MSA) fixed effects are not shown; standard errors are clustered by MSA. Log average HS wages = log average wages for those with high school education or less.

* $p < .05$ (two-tailed test).

** $p < .01$ (two-tailed test).

TABLE 3. Fixed Effects Models of Poverty and Unemployment Rates in Living Wage Cities, 1995–2009

	Poverty Rate		Unemployment Rate	
	Model 1	Model 2	Model 3	Model 4
Living wage ordinance (1 year lag)	.082	−.096	.203	.077
	(.353)	(.311)	(.192)	(.132)
Log population	2.614	2.326	.038	.851
	(1.913)	(2.663)	(1.633)	(1.246)
Unionization rate	−.096	−.024	−.040	.016
	(.071)	(.062)	(.024)	(.012)
Minimum wage	−.867*	−.692	−.209	−.059
	(.415)	(.350)	(.183)	(.159)
County living wage	−1.438*	−1.918**	.073	−.393**
	(.553)	(.437)	(.524)	(.248)
State unionization rate		.021		.013
		(.122)		(.043)
State GDP per capita (logged)		−4.165		−6.223**
		(4.130)		(1.684)
State poverty rate		.583*		−.011
		(.213)		(.086)
State unemployment rate		.262		.544**
		(.196)		(.116)

Note.—Number of cities = 35; number of observations = 525. Standard errors are in parentheses. Year and Metropolitan Statistical Area (MSA) fixed effects are not shown; standard errors are clustered by MSA.
* $p < .05$ (two-tailed test).
** $p < .01$ (two-tailed test).

cities. Models 1 and 2 show the association between living wage ordinances and poverty rates. There is no significant relationship between passing living wage legislation and the poverty rate in the years after living wage adoption. These models also include controls for population, unionization, minimum wage level, and state-level factors. Models 3 and 4 show the relationship between living wage passage and unemployment rates for the living wage city sample. In both models, the coefficient for the living wage indicator is positive, but it is not significant. This model also includes controls for population, unionization, minimum wage, and state-level factors.

After examining the relationship among living wage adoption and wages, poverty, and unemployment in living wage cities, I expand the sample to include a group of matched control cities. Table 4 shows the effect on average wages. Substantively, the results mirror the results of the previous analysis. In the years after living wage adoption, wages are not significantly different in living wage and non–living wage cities. This holds true for full city wages, as well as for average wages for relevant subsections of the population. As with the prior analyses, I also include controls for population,

TABLE 4. Regression Models of Logged Average Wages in Living wage and Control Cities, 1995–2009

	Average Wages		Average HS Wages		Average 25th Percentile Wages		Average 10th Percentile Wages	
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Living wage ordinance (1 year lag)	.037	.025	.006	−.006	.008	.000	.000	−.002
	(.025)	(.019)	(.022)	(.015)	(.020)	(.016)	(.013)	(.012)
Log population	.033**	.022*	.021*	.017*	.016	.010	−.000	−.003
	(.012)	(.010)	(.008)	(.008)	(.012)	(.009)	(.007)	(.007)
Unionization	.001	.001	.004**	.002	.002	.002	.001	.000
	(.001)	(.002)	(.001)	(.001)	(.001)	(.001)	(.001)	(.001)
Minimum wage	.072**	.045**	.035**	.011	.053**	.030**	.047**	.037**
	(.014)	(.012)	(.011)	(.010)	(.012)	(.009)	(.008)	(.008)
County living wage	.087	.118	.030	.034	.012	.021	.010	.010
	(.063)	(.060)	(.030)	(.026)	(.038)	(.030)	(.024)	(.024)
State unionization rate		−.001		.001		−.001		−.001
		(.002)		(.001)		(.002)		(.001)
State GDP per capita (logged)		.185**		.093**		.114**		.045**
		(.023)		(.018)		(.020)		(.016)
State poverty rate		−.007		−.014**		−.012**		−.008**
		(.005)		(.004)		(.004)		(.003)
State unemployment rate		.001		.006		.007		.005
		(.006)		(.005)		(.005)		(.004)

Note.—Number of cities = 54; number of observations = 810. Standard errors are in parentheses. Year fixed effects are not shown; standard errors are clustered by Metropolitan Statistical Area. Average HS wages = average wage of those with high school education or less.

* $p < .05$ (two-tailed test).

** $p < .01$ (two-tailed test).

unionization, and minimum wage level, and, as expected, these variables are positively associated with average wages.

Table 5 presents the regression results for poverty and unemployment based on the full sample with the control cities. Models 1 and 2 show the relationship between living wage adoption and poverty. Models 3 and 4 shift the focus to unemployment. Both analyses include controls for population, unionization, minimum wage level, and state-level variables. For poverty, the living wage coefficients are positive and not significant. For unemployment, the coefficients are negative and not significant.

Finally, based on evidence that the effects of living wage ordinances depend on the types of firms that are covered by each policy (Adams and Neumark 2004, 2005; see Pollin et al. 2008), I evaluate variation resulting from differences in the level of coverage. I distinguish between two types of ordinances. Contractor ordinances are those that cover businesses involved in service contracts with the city. Business assistance ordinances cover businesses that receive grants or other financial assistance from the city. In table 6,

TABLE 5. Regression Models of Poverty and Unemployment Rates in Living Wage and Control Cities, 1995–2009

	Poverty Rate		Unemployment Rate	
	Model 1	Model 2	Model 3	Model 4
Living wage ordinance (1 year lag)	.164	.376	−.175	−.094
	(.713)	(.422)	(.236)	(.188)
Log population	.648	.749*	.007	.011
	(.348)	(.308)	(.175)	(.160)
Unionization rate	−.063	.009	.034	.064**
	(.063)	(.058)	(.018)	(.020)
Minimum wage	−.365	−.071	−.045	.239
	(.464)	(.436)	(.162)	(.166)
County living wage	−1.237	−1.387	−.109	−.226
	(.922)	(.776)	(.428)	(.453)
State unionization rate		−.042		−.047
		(.074)		(.023)
State GDP per capita (logged)		−2.346		−1.270
		(1.225)		(.818)
State poverty rate		.671**		.044
		(.181)		(.066)
State unemployment rate		.043		.624**
		(.202)		(.136)
Number of cities	54	54	54	54
Number of observations	809	809	810	810

Note.—Standard errors are in parentheses. Year fixed effects are not shown; standard errors are clustered by Metropolitan Statistical Area.

* $p < .05$ (two-tailed test).

** $p < .01$ (two-tailed test).

TABLE 6. Regression Models of Poverty and Unemployment Rates in Living Wage and Control cities, 1995–2009 by Type of Living Wage Coverage

	Average Wages			Poverty Rate			Unemployment Rate		
	Contractor	Business Assistance	Contractor + Business	Contractor	Business Assistance	Contractor + Business	Contractor	Business Assistance	Contractor + Business
Living wage ordinance (1 year lag)	.036	−.043	−.029	.276	.297	.414	−.129	.146	.208
	(.018)	(.025)	(.021)	(.409)	(.687)	(.547)	(.215)	(.320)	(.431)
Log population	.023*	.043	.062	.742*	−.503	−1.316	.074	−.761	−.794
	(.010)	(.023)	(.031)	(.330)	(1.045)	(1.287)	(.153)	(.874)	(.934)
Unionization	.000	.006**	.006**	.049	−.159	−.128	.065*	.021	.022
	(.002)	(.002)	(.002)	(.080)	(.088)	(.112)	(.029)	(.056)	(.058)
Minimum wage	.045**	.004	.007	.020	1.093	1.580	.320	1.040*	1.416**
	(.013)	(.016)	(.015)	(.458)	(.816)	(.835)	(.189)	(.377)	(.394)
County living wage	.114	.296**	.297**	−1.452	−4.786**	−5.220**	−.300	−1.205	−1.341*
	(.059)	(.034)	(.028)	(.753)	(.823)	(.836)	(.426)	(.631)	(.611)
State unionization rate	−.000	−.001	.001	−.079	−.052	−.186	−.049	−.054	−.085
	(.003)	(.001)	(.003)	(.085)	(.103)	(.146)	(.029)	(.040)	(.054)
State GDP per capita (logged)	.198**	.188**	.179**	−3.242**	−3.009*	−2.552*	−1.766*	−2.129**	−2.607**
	(.026)	(.031)	(.040)	(1.177)	(1.094)	(1.189)	(.753)	(.612)	(.674)
State poverty rate	−.010	.000	−.002	.814**	.427*	.434*	.087	.144	.190
	(.005)	(.004)	(.005)	(.204)	(.187)	(.152)	(.075)	(.130)	(.165)
State unemployment rate	.003	.002	.007	−.055	.376	.258	.626**	.409	.384
	(.007)	(.005)	(.007)	(.206)	(.326)	(.385)	(.142)	(.219)	(.253)
Number of cities	48	20	16	48	20	16	48	20	16
Number of observations	720	300	240	719	300	240	720	300	240

Note.—Standard errors are in parentheses. Year fixed effects are not shown; standard errors are clustered by Metropolitan Statistical Area.

* $p < .05$ (two-tailed test).

** $p < .01$ (two-tailed test).

I model the effect of these specific types of living wage policies on average wages and rates of poverty and unemployment. The first column for each dependent variable includes all cities with an ordinance that applies to city contractors and their corresponding control cities. The second column includes all cities with a business assistance policy plus controls. Finally, in the third column for each dependent variable, I only include cities with a living wage ordinance that applies to both city contractors and firms receiving assistance (as well as the matched control cities).

As the analysis in table 6 demonstrates, accounting for the type of living wage coverage does not change the observed pattern for wages, poverty, and unemployment. While the coefficients differ depending on the sample of living wage cities, estimates are not statistically significant in any model.[15] Thus, even after focusing on the cities with the most expansive living wage polices (those that apply to both firms receiving city contracts and firms receiving business assistance), I do not find any clear evidence that living wage ordinances are significantly associated with reductions in poverty or increases in wages or unemployment.

DISCUSSION

In this paper, I examine the relationship between the passage of living wage ordinances and wages, poverty, and unemployment at the city level. Based on these analyses, I find little evidence that the passage of living wage ordinances is associated with an increase in average wages in the cities adopting these ordinances. This result also holds for subsections of the municipal population that might be expected to benefit most from living wage legislation, including workers with a high school degree or less and those in the bottom 25th and bottom 10th of the income distribution. For all these groups, the magnitude of any wage changes is quite small, and the coefficients do not meet the threshold for statistical significance in either the restricted sample with only living wage cities or the full sample with

15. Many cities specify a contract value under which firms are exempt from paying workers a living wage. I replicate the analysis of the contractor-specific ordinances after excluding firms that only apply living wage provisions at different thresholds (e.g., contracts valued at more than $25,000 or contracts valued at more than $50,000). Results are not contingent on the specific contract threshold for living wage eligibility. This analysis is available upon request from the author.

matched control cities. The results presented here also suggest that living wage ordinances are not associated with aggregate rates of poverty and unemployment. In both sets of analyses, there is no evidence of a significant decline in poverty or an increase in unemployment in the years after living wage adoption. These findings hold even when comparing living wage cities to a matched sample of control cities and when restricting the analysis to cities with specific types of living wage ordinances.

Overall, these results indicate that cities adopting living wage ordinances do not experience significant changes in average municipal wages, poverty rates, or unemployment rates. In some ways, this presents a challenge to supporters of living wage campaigns because living wage ordinances do not appear to lead to substantial reductions in poverty or significant increases in wages for urban workers. However, the results also fail to support the claims of living wage opponents who charge that the passage of living wage legislation will cause large-scale increases in unemployment (Macpherson 2004). Although these results may come as a surprise to both proponents and critics of the living wage movement, several factors help to place these findings in context.

First, the fact that living wage ordinances are applied only to contractors or businesses receiving city funds appears to play a major role in limiting the citywide macroeconomic effect of these policies. As they are currently conceptualized, these laws target segments of the workforce that do not appear to be large enough to influence trends in aggregate levels of wages, unemployment, and poverty in municipal populations (Pollin et al. 2008). Even if living wage laws produce ripple effects and raise wages for workers beyond those receiving mandated wage increases (Wicks-Lim 2006; Pollin et al. 2008), the results presented here suggest that the number of workers affected by living wage ordinances is not sufficient to significantly influence a city's rate of poverty or unemployment.

In addition, the fact that living wage ordinances are not significantly associated with municipal economic outcomes does not mean that these laws are unimportant or irrelevant. As past research has shown, living wage ordinances do appear to have important effects at the firm level (Brenner 2005; Fairris 2005) and for individual covered workers (Brenner and Luce 2005). Moreover, several scholars find evidence that living wage campaigns inspire collaboration between progressive organizations and organized labor that can be sustained even after living wage legislation is adopted (Reynolds 2001; San Francisco Living Wage Coalition 2015). Thus, the passage of

living wage laws can have an important influence even though they are not linked to significant macroeconomic changes.

Keeping these points in mind, this analysis suggests some promising avenues for future research on living wage ordinances. As this study shows, municipal governments are not likely to reduce poverty by limiting wage increases to contract workers or workers in firms that receive economic assistance from the city. However, legislation that covers a much broader segment of the municipal workforce, such as the comprehensive minimum wage laws now in effect in 27 cities, may be more likely to have large-scale macroeconomic effects. This type of legislation mandates that all workers, both public and private, must receive an above-poverty wage. Wages range from $8.75 an hour in Albuquerque to $15.24 an hour in SeaTac (National Employment Law Project 2015). The spread of citywide minimum wage ordinances remains a recent phenomenon, and 23 of the 27 cities that have these policies adopted them from 2013 onward. While it is too soon to evaluate how these policies influence poverty and unemployment (especially because many citywide wage increases are phased in gradually), this is an important topic for future research. When sufficient data on citywide minimum wage ordinances are available, the design of this project offers a potential blueprint for research that can assess the city-level effects of citywide minimum wage ordinances while accounting for competing explanations and trends might also be observed in the absence of minimum wage legislation. This issue has clear implications for policy debates and minimum wage policies are already facing strong opposition because broader coverage means that the costs to businesses may be significantly higher (Grimm 2013; Associated Press 2014).

There is some evidence that mobilization in support of living wage ordinances contributed to the subsequent passage of these citywide minimum wage policies. For example, San Francisco's Living Wage Coalition began as an effort to increase wages for municipal workers at the San Francisco Airport, but it currently works in support of the city's minimum wage law and other pro-labor causes (San Francisco Living Wage Coalition 2015). This highlights the possibility that living wage campaigns can spark further mobilization and political change. Overall, 12 of the 27 cities that currently have citywide minimum wage policies previously adopted living wage ordinances. While this could indicate that living wage campaigns helped mobilize coalitions that went on to support minimum wage increases,

it is also possible that a correlation between living wage and citywide minimum wage ordinances reflects an underlying political climate that is sympathetic to progressive causes, greater union activity, greater public demand, or some other factor that promotes both types of ordinances. Answering these questions is beyond the scope of this article, but the growing popularity of citywide minimum wage policies highlights a promising avenue for future research that explores the intersection between social movements, politics, and municipal economic outcomes.

Finally, it is important to acknowledge that while many living wage rates are nominally indexed to the federal poverty threshold, families with only one earner and multiple children may still not earn enough to be counted as nonpoor, especially if the living wage job is only part-time. Thus, regardless of the coverage of living or minimum wage policies, such ordinances may be unable to produce significant reductions in urban poverty if the wage floors are not set high enough to provide an above-poverty standard of living. Thus, a worthwhile question for future research is whether a greater influence can be achieved by expanding the scope of living wage ordinances or by increasing wage thresholds. Given the implications for future policy initiatives and the success of the living wage as a social movement, this issue appears to be worthy of such attention.

NOTE

Benjamin Sosnaud is a postdoctoral fellow in the Department of Sociology at Harvard University. His research interests include inequality and social institutions, health disparities and population health, and social policy. He wishes to thank Jason Beckfield, Bruce Western, Sandy Jencks, Rourke O'Brien, and Chong-Min Fu for their valuable input and comments. He also wishes to thank the editor and three anonymous reviewers for their helpful suggestions.

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Negotiating Competing Institutional Logics at the Street Level: An Ethnography of a Community Mental Health Organization

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ABSTRACT This article brings street-level organizational theory into conversation with the institutional logics perspective. It uses ethnographic methods to investigate how workers in one community mental health organization negotiated the competing therapeutic logic of the clubhouse and managerial logic of fee-for-service reforms, analyzing how their actions shaped the accessibility of services for those most in need. This article examines the organizational products of new managerial reforms and the structures that were most decisive in shaping them. It finds that reforms in financing and governance produced unresolvable contradictions at the street level, restructured workers' perceptions of problem clients, shifted workers' conceptions of the work role, and led to service rationing. I conclude by reflecting on what these findings mean for the development of organizational theory and the project of improving the accessibility of community mental health services.

INTRODUCTION

The problem of access to mental health services has plagued policy makers since the inception of the community mental health movement in the 1960s (JCMIH 1961; Grob 1991). Community mental health services in the United States comprise a patchwork of uncoordinated delivery systems that far too often remain inaccessible to the most socially and economically vulnerable (Morrissey and Goldman 1984; Grob and Goldman 2006). A recent national initiative called for improving accessibility by expanding Medicaid, a federally regulated program that provides health care to low-income families and people with disabilities, and the use of formal assessment in community-based mental health settings (DHHS 2003). Each state establishes its own Medicaid plan with the Centers for Medicare and Medicaid Services and

Social Service Review (March 2016). 0037-7961/2016/9001-0002$10.00

receives a Federal Medical Assistance Percentage for every valid service it provides (Smith et al. 2000). Since the early 1990s, states have broadly pursued Medicaid maximization as a refinancing strategy (Smith, Ellis, and Hogan 1999), employing the federal match to offset the cost of community mental health services.

Through Medicaid expansion, states have replaced relatively flexible block grants with fee-for-service payments as the chief funding mechanism of community mental health services (Buck 2003; Frank and Glied 2006). While Medicaid expenditure trends reflect a period of sustained growth over the last two-and-a-half decades (Mark et al. 2007; Burwell, Sredl, and Eiken 2008), it is less clear what the expansion of fee-for-service contracting has meant for community mental health service delivery on the ground. Social welfare scholarship suggests that while public policies on their face may promote increased efficiency and accountability, they may produce latent effects in organizational practice that undermine their manifest aims (Brodkin 2013). When reforms in governance and financing alter organizational resources, demands, and incentives, street-level workers may adjust to them in ways that are functional for organizations but dysfunctional for the clients they serve (Brodkin 2011). This observation is particularly important to the study of access to services, since street-level workers function as everyday gatekeepers, whose discretionary routines determine the nature and reach of accessibility (Lipsky 1980; Pope 1991; Kelly 1994; Lidstone 1994).

Relatively little is known about how the managerial transformations implicit in fee-for-service reforms restructure the practices of those community mental health workers who are charged with implementing them (Kirschner and Lachicotte 2001; Hopper 2006; Spitzmueller 2014). This article uses ethnographic methods to investigate how reforms in governance and financing shaped the accessibility of treatment in one community mental health organization, known in this article as Community Club.[1] It combines two theoretical frameworks, street-level organizational theory and the institutional logics perspective, to investigate what happened when the therapeutic logic of the Community Club's approach to mental health services came into contact with the managerial logic that informed fee-for-service reforms. How did frontline workers negotiate these logics in practice, and what did their adjustments mean for those most in need of care?

1. This is a pseudonym, used in order to protect the confidentiality of research subjects.

THEORETICAL BACKGROUND

STREET-LEVEL ORGANIZATIONAL THEORY

Street-level organizational theory posits that organizational conditions shape how street-level workers perceive client-related problems and frame solutions to them. Michael Lipsky's (1980) examination of street-level bureaucracies provides an analytic framework for thinking about how workers, including those who provide community mental health services, behave under a common set of structural conditions. He contends that it is the "shared situational context of street-level work" that allows researchers to formulate generalizations about how generic political and social roles give rise to typical patterns of practice (27). Street-level workers interact directly with service recipients and exercise discretion in their daily routines. They experience chronic resource constraints, especially in the forms of limited time and incomplete information. Street-level workers face an unremitting demand for services and act under considerable pressure to produce quick decisions. The information they use to produce the metrics by which their performance is evaluated is often costly and difficult to obtain, and goal expectations are generally ambiguous and conflicting.

Lipsky's theory of how client demands and organizational resources interact is of particular importance for this study of mental health services. He contends that demand is not an objective condition calling for assessment. Rather it is a "transactional concept" that is mediated by organizational structures (34). The better job an organization does of providing services and increasing availability, the more demand for the organization's resources will increase. Because service availability in this sense pulls demand, street-level workers are subject to chronic resource limits. Since they can never formally resolve the resource problem, workers adopt informal strategies to derive provisional solutions, using their discretion to manage the ongoing dilemmas of their jobs. Lipsky argues that when excessive and unpredictable demand overwhelms workers' resources, and in the absence of market mechanisms that limit supply, workers develop ad hoc strategies to ration services. Discretionary patterns of practice, such as creaming whereby workers deny services to difficult clients usually at the point of intake, and wait listing, devolve unevenly to clients, shouldering the most socially vulnerable with added costs and redistributing public goods toward those who are already most well off. In this manner, street-level practice is "the continuation of policy politics by other means" (Brodkin 2008, 321).

Street-level organizational theory provides a framework for thinking about service accessibility in the field of mental health as a process that is institutionally mediated and organizationally derived. The analytic challenge of a street-level study is to understand systematically how workers adapt their everyday routines to the conditions of their jobs, with the goal of building a conceptual understanding of how organizational structures shape patterns of practice. This framework suggests that street-level workers do not simply respond in a linear way to public policies, rather "they use their discretion to adjust to them, producing informal practices that are substantially different from—and more diverse than—what policymakers or managers tend to recognize" (Brodkin 2011, i253). The shift from thinking about organizations as bureaucratic hierarchies that can unambiguously and precisely administer technical objectives to thinking about them as discretionary yet structured fields of social reproduction steers theoretical interest toward the active contests that play out on the ground in street-level organizations.

Lipsky's (1980) street-level framework is based on his investigation of public services in the 1970s. Since then, social welfare technologies have undergone a pervasive rescaling (Peck 2001; Fairbanks 2009). Decentralized nonprofits have replaced large state bureaucracies as the chief implementers of social policy (Kramer 1994; Salamon 1995; Smith and Lipsky 1995). Community mental health service delivery has followed a parallel trajectory in the aftermath of deinstitutionalization, with community-based nonprofits replacing state institutions as the primary mode of service delivery (Grob 1991). New public management, or the belief that technologies that are successful in the private sector will also be successful in the public sector, evolved alongside decentralization to meet political demands for increased efficiency, accountability, and cost savings (Dunleavy and Hood 1994). Leading mental health policy makers advance the idea that a quality and accountability framework is necessary to obtain the outcomes associated with the implementation of evidence-based practices and performance measurement systems (Ganju 2006).

Proponents of new public management argue that government performs most effectively when it devolves authority to local actors, yielding discretion to those who best know how to "row" (Peters 1997). The keystone of new public management is its emphasis on performance measurement, which is taken to promote accountability by attaching financial inducements to predetermined outcomes (Wolf 1997; Sandfort 2000). Proponents tend to adopt the view that discretion is a generative source of nimbleness and innovation. Evelyn Brodkin (2011) observes that there is a critical disjuncture between

the lessons that street-level organizational theory provides about discretion and the assumptions that implicitly undergird new public management approaches. By objectifying outcomes, attaching performance incentives to them, and leaving it to street-level organizations to determine how best to reach the destination, new public management fails to account for, and may even obfuscate, those discretionary processes that are most decisive in shaping the nature and distribution of social services.

This blind spot can become pernicious when workers adopt informal patterns of practice that allow them to achieve benchmarks but that systematically work against the manifest aims of social welfare policy. In the age of new public management, street-level workers are often keenly aware that they are playing "a number game" (Soss, Fording, and Schram 2011, i219) and develop tactics to "game the numbers" (Fording, Schram, and Soss 2006, 9). The analytic objective of street-level organizational theory is not to understand whether performance indicators were achieved and to what degree but to understand how they were achieved and to what effect. A critical literature traces the deleterious effects of new public management on organizational life (Lawton, McKevitt, and Millar 2000; Price 2003; Van Slyke 2003; Considine 2005; Radin 2006; Moynihan and Herd 2010; Soss, Schram, and Fording 2013).

THE INSTITUTIONAL LOGICS PERSPECTIVE

The institutional logics perspective posits that each social institution is defined by a central logic and considers how the multiple institutional logics present within organizations shape the beliefs and actions of individuals. It was formulated as an early contribution to new institutionalism, which theorizes how belief and rule systems affect social behavior and structure (Scott et al. 2000). It has been applied to a wide range of contexts, including health care organizations (Ruef 1999), educational testing (Booher-Jennings 2005), higher education publishing (Thornton and Ocasio 1999), and colleges and universities (Gumport 2000). Roger Friedland and Robert Alford (1991) develop a useful framework for understanding the nature and role of institutional logics. They begin with the proposition that society is made up of multiple interdependent, yet potentially contradictory, institutions. Examples include capitalism, the bureaucratic state, representative democracy, the family, and organized religion. Each of these institutions, the authors argue, is defined by a central logic that "constitutes its organizing principles"

(248). Because institutions are overlapping and interlocking, individuals may inhabit and draw upon multiple logics within a given social domain. This perspective provides a framework for examining how organizations respond to multiple institutional demands (Skelcher and Smith 2014). The conditions of heterogeneity and contradiction provide the potential for workers to creatively transform and reconstruct competing logics.

Since the early formulation of the institutional logics perspective, scholarship has evolved to recognize a wide range of institutional logics that influence organizational behavior. Examples include the logics of corporations, managerialism, and the professions (Kraatz and Block 2008; Skelcher and Smith 2014). These institutional logics are instantiated in, and articulated through, evolving organizational processes. Richard Scott and colleagues (2000) examine how the institutional logics of health care delivery systems changed over a 50-year period. Beginning in the mid-1940s, the professional logic of medicine flourished. Federal involvement in the health care sector in the 1960s and 1970s dislodged the legitimacy of the professional logic. In the 1980s, the logic of the market competed with and crowded out the institutional logic of federal responsibility. Scott and colleagues demonstrate not only that the central meanings of health care delivery changed over time but that these adaptations were shaped by shifts in governance. The authors observe that "new technologies, new ways of delivering services, [and] new mechanisms of paying for care" (1) alter how organizations are regulated and controlled and therefore restructure the logics they adopt to remain competitive and viable. When shifts in governance and financing displace former regimes, new technologies transform, dislodge, and fragment institutional logics within organizational contexts.

The expanded concern of the institutional logics perspective, with a multitude of possible orders and its attention to the structuring effects of governance on human service organizations, suggests the need for research that investigates how street-level workers negotiate competing institutional logics in their practices and what kinds of organizational transformations result from their everyday contests (Thornton, Ocasio, and Lounsbury 2012; Thornton and Ocasio 2013). Research that investigates how street-level workers creatively rework institutional logics is especially important for scholarship of community mental health practice, where shifts in governance and financing are rapidly changing delivery systems and payment technologies but where practice science is most often modeled on study designs that isolate and control therapeutic inputs and effect sizes (Drake

et al. 2001; Dixon and Goldman 2004). The institutional logics perspective suggests that transformations in the nature of community mental health services will be reflected in the changing nature of the organizations that provide these services.

Marya Besharov and Wendy Smith (2014) observe that scholars have successfully demonstrated the prevalence of logic multiplicity in organizations. Multiple institutional demands produce a range of organizational outcomes, such as logic coexistence (McPherson and Sauder 2013), the replacement of one logic by another (Booher-Jennings 2005), and logic blending (Binder 2007). Besharov and Smith (2014) argue that scholars have not adequately theorized why heterogeneity at times produces one type of outcome and at times another. The authors contend that two dimensions of multiplicity play an especially important role in determining how institutional logics combine or fail to resolve in organizations. Compatibility describes the extent to which multiple logics prescribe consistent and mutually reinforcing actions, and centrality describes the extent to which multiple logics are fundamental to key organizational functions. These properties influence how multiple demands confront workers and the actions that are available to them as they attempt to broker solutions to everyday dilemmas. When compatibility is low, competing logics provide workers with contradictory prescriptions for action. When centrality is high, multiple logics are core to organizational operations. Besharov and Smith define a contested organization as one in which workers negotiate low logic compatibility and high centrality. In a contested organization, workers "grapple with divergent goals, values, and identities, as well as different strategies and practices for achieving these goals" (371). Competing logics are continually challenged, producing clashes over strategy, operations, and identities.

New institutionalism defines legitimacy as a condition that is reflected in the alignment of an organization with the normative, regulatory, and cultural-cognitive rules that prevail in the wider organizational field and social environment (Scott 2014). The organizational field includes the producers, consumers, and regulatory agencies that constitute a recognized area of institutional life and produce a common meaning system (DiMaggio and Powell 1983; Scott and Meyer 1991). In this sense, legitimacy is not a quality that inheres in an organization but is constituted in the relationship of an organization to its environment. Scholars of institutional logics find that legitimacy influences how logic multiplicity takes form in organizational contexts. Because the organizational field governs

resources and regulations, it influences the centrality of competing logics in core operations (Reay and Hinings 2005). Legitimacy also shapes the relationships of individual actors within organizations, determining the relative power they can marshal as they use competing logics to press for their interests (Greenwood et al. 2011). When changes occur at the field, technological, or individual level, the interrelationship of institutional logics shifts (Besharov and Smith 2014). In the face of multiplicity and change, workers formulate conditional responses, producing effects that may or may not be intended, but that have decisive consequences for the outcomes of practice.

STREET-LEVEL ORGANIZATIONAL THEORY AND THE INSTITUTIONAL LOGICS PERSPECTIVE IN CONVERSATION

Scholarship points to a productive opportunity to bring the institutional logics perspective into conversation with street-level organizational analysis. Amy Binder (2007) offers a compelling illustration of how workers mobilize institutional logics at multiple levels of organizational operation. She finds that workers in different subunits of a transitional housing organization fashion distinct responses to multiplicity by creatively reworking institutional logics to fit their professional commitments, federal regulations, and on-the-ground client demands. Binder draws on the work of Tim Hallett and Marc Ventresca (2006), who argue that institutions are inhabited by enterprising and at times skeptical actors, whose social interactions suffuse extra-local meanings with "local force and significance" (213). Eve Garrow and Yeheskel Hasenfeld (2012) find that unless human service organizations can compartmentalize and decouple their social service and commercial functions, institutional logics of the market subordinate therapeutic logics of service and reduce work routines to their production function.

This study brings street-level organizational theory into dialogue with the institutional logics perspective. It investigates how Community Club workers negotiated the therapeutic logic of the clubhouse, which governed their organization's values, and the managerial logic of fee-for-service reforms, examining how these contested logics shaped access to services for those most in need. Of concern for scholars of street-level practice is how organizational conditions affect workers' use of discretion by structuring their perceptions of problematic clients and conceptions of the work role. By revealing the practical linkages between organizational conditions,

perceptions, and identities, street-level organizational theory holds the potential to add new understandings of how institutional logics are forged and even transformed on the ground. Similarly, viewing organizational behavior from the vantage point of institutional logics stands to contribute important insights to the continued refinement of street-level organizational theory, demonstrating how logics, which have their origin outside of the immediate organizational context, contribute to the heterogeneous and potentially contradictory nature of work on the front lines of human services.

COMPETING INSTITUTIONAL LOGICS

This study employs ethnographic methods to investigate how street-level workers negotiated two institutional logics in Community Club, a community mental health center in Illinois. The therapeutic logic of the clubhouse focuses on responsiveness, engagement, and self-determination. The managerial logic of fee-for-service reforms emphasizes cost efficiency, standardization, and accountability.

The Therapeutic Logic of the Clubhouse

This study examines what fee-for-service reforms meant for access to services at Community Club, a community mental health organization that identifies as a clubhouse. The clubhouse model advances the idea that people with serious mental illness lack opportunities to feel valued and needed. The clubhouse provides a context for psycho-social rehabilitation in which individuals work toward common goals to gain the confidence and life skills they need to reintegrate into the broader communities of which they are a part (Beard, Propst, and Malamud 1982).

The clubhouse model first began at Fountain House in the late 1940s as a grassroots response to early deinstitutionalization (Macias et al. 2001; Doyle, Lanoil, and Dudek 2013). John Beard and colleagues (1982) note that the clubhouse "is a club and, as in all clubs, it belongs to those who participate in it and who make it come alive" (47). Clubhouse proponents avoid the label of mental health patient, instead referring to those who belong to it as members. The clubhouse model is based on the idea that members and staff work side-by-side to fulfill the responsibilities of maintaining the clubhouse. The model posits that through shared activities centered around kitchen, clerical, and maintenance duties, members derive value and

purpose from the sense that their contribution is needed to sustain the clubhouse community (Propst 1992). The therapeutic logic of the clubhouse emphasizes responsiveness, engagement, and member self-determination. Staff are encouraged to relate to members collaboratively so that members do not regard themselves as undergoing a formal rehabilitation process in which something is being done to them.

The Managerial Logic of Fee-for-Service Reform

The managerial logic of fee-for-service reform is based on the belief that private sector solutions will be effective in the public sector, and it emphasizes cost efficiency, standardization, and accountability. Over time, successive reforms in financing and governance altered the regulatory environment of community mental health services in Illinois. These policy reforms transformed the symbolic landscape of mental health service delivery in the state and restructured the material conditions of street-level organizations.

Early shifts in the institutional logics of community mental health services. Beginning in the 1980s, Illinois funded community mental health services through block grants. In exchange for program-level initiatives, such as day rehabilitation services, the state allocated payments to providers in advanced sums. Block grants were funded principally with state general revenues, with some federal grants underwriting them. As a condition of receiving grants-in-aid, the Illinois Division of Mental Health (DMH), the state authority charged with overseeing planning and coordination of public mental health services, required community mental health agencies to submit semiannual client reports and average daily census records. Beyond these general indices of clinical inputs, community mental health centers were not accountable for additional reporting to the state under the block grant system and financing was not tied directly to clinical records.

When Medicaid reforms were introduced into the Illinois community mental health system in 1991, DMH used the federal match as an incentive to encourage providers to redesign their service systems to maximize Medicaid billing. Providers assumed all expenses associated with certification, standardization, and health information records. In exchange for their investment in these technical operations, DMH returned the full federal match to providers who billed Medicaid services. The state's early transition toward Medicaid fee-for-service introduced a managerial logic that was largely absent from contracting under block grants. The managerial logic emphasized standardization and efficiency and directly remunerated agen-

cies that implemented technologies that linked this logic to practice. During the early period of Medicaid expansion, DMH continued to contract with providers chiefly through block grants.

The ascendance of the managerial logic under comprehensive fee-for-service reform. In 2004, Illinois began an initiative to overhaul its community mental health payment and delivery systems. As a central component of this initiative, the state advanced the claim that what was lacking from the block grant system was accountability. In his second annual budget address, then-Governor Rod Blagojevich (2004) warned, "The days of social service providers getting blank checks, with no questions asked, have to come to an end. The system needs accountability" (16). He predicted that, if funding were transformed from grants-in-aid to Medicaid fee-for-service, the state would increase Federal Financial Participation, making services more cost efficient and accountable. The Systems Restructuring Initiative was launched that year with the express goal of maximizing Medicaid billing and establishing fee-for-service as the central means of contracting with community mental health providers.

The restructuring initiative lasted 5 years and produced a new governance regime that attached financing to clinical documentation. It enumerated a new service taxonomy, referred to as Rule 132, establishing practice standards and billing rates for state-contracted community mental health services (59 Ill. Adm. Code 132). Fee-for-service reforms restructured how community mental health service accessibility was managed in Illinois, monetizing assessment and reforming eligibility requirements. Under Rule 132, all individuals seeking access to services were required to complete a standardized mental health assessment, defined as the formal process of gathering into written reports information on the client. Guidelines capped payment for mental health assessment at 4 hours and required that it be completed within 30 days of intake. Only practices that actively documented need and eligibility could be billed as mental health assessment. Once assessments were completed, mental health staff were required to submit the full assessment to DMH for authorization.

During the transition to fee-for-service, the state maintained a limited number of grants to fund general programming costs that could not be directly monetized. All direct mental health service payments were converted to fee-for-service. Individuals who were eligible for Medicaid were funded through the state Medicaid Rehabilitation Option (MRO), and individuals who did not yet qualify for Medicaid were funded through non-MRO

contracts. Illinois established an advance and reconcile system that capitated both MRO and non-MRO fee-for-service contracts. Payments were advanced to providers on a quarterly basis and later reconciled if billing volume fell short of allocations. Capitated payments created conditions that restricted market-based expansion and imposed monetary penalties when agencies provided either too many or too few services as established in their contracts. Fee-for-service provisions required all agencies to submit their clinical records for annual audits, imposing rigorous oversight of performance and sanctioning agencies when claims were determined to be in error. The managerial logic of fee-for-service reforms emphasized cost efficiency, standardization, and accountability.

Deepening austerity and further managerial reforms. During the time of fieldwork for this study (November 2009–October 2010), the community mental health system in Illinois was hit by a series of austerity shockwaves. In July 2009, then-Governor Pat Quinn passed what was widely called the doomsday budget (McKenna 2009), threatening human services with $9.2 billion in cuts. Three months later, most of these cuts were restored, but not before many agencies had begun implementing layoffs in anticipation of lost revenues. In February 2010, Illinois led the nation in state debt, carrying a deficit in excess of $13 billion. Media watchdogs exposed the fact that the comptroller's office was, on average, 10 months delinquent on payments to community mental health providers (Ormsby 2010). Facing high unemployment and diminishing tax revenues, Governor Quinn (2010) declared Illinois to be in a state of financial crisis. Much as Blagojevich had in 2004, Quinn advanced the managerial logic as a motivating principle of reform, contending that "new and rigorous performance metrics" were needed to improve accountability and efficiency in the system. On July 1, 2010, Quinn signed into law the Emergency Budget Act (S.B. 96-3660) and the Budget Implementation Act (S.B. 96-3662), requiring $45 million in direct cuts to community mental health programs.

Budget reductions devolved to community mental health providers in three forms. DMH eliminated all non-MRO fee-for-service payments. This meant that individuals who were not yet Medicaid eligible but who had a serious mental illness would no longer qualify for public mental health services. DMH eliminated almost all remaining grants-in-aid, including the Consumer Centered Recovery Support Grant, which funded about half of the operating cost of Community Club. And DMH introduced a new utilization management program that narrowed Medicaid service definitions

and tightened the link between medical necessity and social service provision.

These transitions, which took place during fieldwork for this study, radically reconfigured the terms of community mental health service contracting in the state of Illinois. This article analyzes how these reforms in governance worked their way down to the street level in one community mental health organization, Community Club, examining what happened when the therapeutic logic of the clubhouse came into contact with the managerial logic of fee-for-service reform.

METHOD

This study uses the methods of an organizational ethnography. It combines direct observation with interviewing and analysis of organizational documents. I refer to the community mental health center analyzed in this study using the pseudonym Community Club, and I have altered all identifying information to protect the confidentiality of my research participants. Community Club was founded as a stand-alone clubhouse program in Chicago in the early 1960s. It is now administered and managed by New Frontiers, a nationally recognized community mental health provider offering a range of evidence-based services to individuals with serious mental illness. New Frontiers administers over 70 programs throughout the Chicagoland area.

From November 2009 through October 2010, I observed the day-to-day routines of approximately 20 street-level workers at Community Club. I conducted over 1,300 hours of direct observation, examining workers' therapeutic interactions and attending weekly meetings. I used jottings to formulate brief notes within a field journal as I observed therapeutic activities and staff meetings in real time. I then composed fieldnotes at the end of each day of observation, turning jottings into more extended narrative texts (see Emerson, Fretz, and Shaw 2011).

This study was approved by the School of Social Service Administration Institutional Review Board at the University of Chicago. I used a verbal consent script to inform Community Club workers and members of my status as a researcher, and I posted a written description of my study at the center. I compiled research in four ways. First, I attended weekly team and managers' meetings, in which workers discussed themes that were relevant to my study, including issues related to staffing, emerging treatment challenges, paperwork responsibilities, and performance evaluation. I audio-

recorded all staff meetings and time-stamped jottings to allow for efficient retrieval, transcription, and analysis of key interactions. Second, I conducted 73 informal interviews with frontline workers. As events occurred in the course of the day that were relevant to this study, I invited workers to talk to me about their immediate actions, addressing the challenges they faced in doing their jobs and the strategies they employed for managing them. Third, I conducted 28 semi-structured interviews with frontline workers, team leaders, and agency administrators. Semi-structured interviews involved a managed verbal exchange in which I began with structured questions, listened attentively, prompted appropriately, and encouraged participants to generate their own insights (Gillham 2000, 2005; Clough and Nutbrown 2012; Ritchie et al. 2013). Interviews provided an important counterweight to ethnographic observation, allowing me to develop a rich understanding of how organizational actors generated and mobilized institutional logics. Finally, I had extensive access to documents such as agency reports, instruction manuals, and disciplinary actions. These records were selected for review on the basis of their relevance to emerging research themes.

I used NVivo 8 to code field notes, transcriptions, and documents and to render and preserve thematic connections between related episodes over time. These multiple sources allowed me to triangulate data points and to analyze continuities and differences among them. For example, official documents at times prescribed one set of behaviors, while workers did something different. Workers sometimes reported that their actions were guided by a principle or heuristic but behaved in ways that seemed incongruous with it. In this sense, neither formal rules nor workers' ideologies were sufficient in themselves to account for why workers behaved the way they did. Through sustained and ongoing engagement with the field, I was able to weigh my observations against official documents and self-reports. As durable patterns of practice emerged over time, I developed hypotheses iteratively and built evidence and counterevidence for how the conditions of work systematically shaped workers' everyday routines and logics.

In addition to studying day-to-day practice at Community Club, I developed connections with key informants at the Illinois Division of Mental Health (DMH). For 1 year, I attended DMH meetings, webinars, and teleconferences. For 2 years, I also attended monthly meetings at the largest community behavioral health trade association in Illinois. I conducted semi-structured interviews with eight key informants at the state and trade levels to better understand the trajectories of community mental health policy

reform in the state. These data sources allowed me to develop a rich understanding of how community mental health policy reforms evolved over time and provided important context for this study of Community Club.

Fieldwork for this study was conducted during a period of marked policy reform in Illinois. This allowed me to observe how street-level workers adapted practice logics to ongoing structural shifts in financing and governance. While this study investigates processes of organizational change, it does not offer a test of how street-level practices were conducted before and after policy implementation. Instead, it examines how Community Club workers adjusted in real time to continuing managerial reforms.

FINDINGS

During fieldwork for this study, an average of 108 members attended Community Club daily. To be eligible for services, members were required to have a qualifying serious mental illness diagnosis. Community Club members were predominantly low-income. During fieldwork for this study, about 11 percent of members were employed at some point in the fiscal year, and only 8 percent were ineligible for public assistance. Ten percent of members were actively homeless, and 36 percent lived in a supervised housing facility.

THE THERAPEUTIC TECHNOLOGY OF THE OPEN DOOR

Scott and colleagues (2000) note that in institutional theory the construct of "technology" includes both the material operations and the skills and knowledge that organizational actors use to transform institutional logics into desired outcomes (19). According to Michael McQuarrie (2013), technologies refer to those "arrangements of practices, metrics, discourses, and actors" that are designed to realize specific goals and that situate institutional logics in local contexts (147). Here I use the concept of technology to refer to those organizational arrangements and strategies that operationalized specific institutional logics in Community Club workers' day-to-day practices.

When I began fieldwork for this study in November 2009, Community Club workers practiced what they described as an open-door intake model. Workers described the open door as a set of practices that were developed with an eye toward maximizing the accessibility of services. The open door

targeted the interval of service use after a prospective member arrived at Community Club for the first time but before formal mental health assessment and diagnosis began. Workers characterized it as an informal course of socialization into the life of Community Club that lasted about 2 weeks and that was designed to integrate individuals as members.

I observed that prospective members came into contact with Community Club in a variety of ways. Psychiatrists and hospital social workers referred individuals for mental health aftercare and linkage. Concerned family members reached out to the center on behalf of their loved ones. Most often, however, individuals simply walked in off the streets, having heard through their social networks that Community Club was a good place to get help. Prospective members included people experiencing their first episode of serious mental illness, people with chronic mental health problems who had never received services, and people with serious mental illness who had broken with prior treatment and were looking to reconnect with a provider.

The therapeutic logic of the clubhouse emphasizes responsiveness, engagement, and self-determination (Beard et al. 1982; Propst 1992; Doyle et al. 2013). Community Club workers strongly identified with the clubhouse model and often described the tenets of their work as a product of this professional identity. The therapeutic logic played out at the center through specific strategies of practice. Workers operationalized responsiveness by granting prospective members immediate access to the center the day they showed up seeking services. When a prospective member arrived at Community Club for the first time, he or she was met by a worker and guided through a brief interview that usually lasted about a half hour. In this interview, the worker asked for a short account of the person's history of mental illness, demographic information, and consent to begin treatment. Workers described this brief interview as a low-key encounter that began the engagement process, and they used the information they gathered through it to register the prospective member in the agency database.

From the first day a prospective member arrived at the center, he or she was encouraged to attend any groups that were of interest to him or her and had full access to all of Community Club's center-based resources, which included a computer room, an art room, a lounge on the second floor where members played pool and participated in unstructured groups, and a dining room where meals were served twice a day. The only service a prospective member did not receive at the point of contact was individual case management, which did not begin until he or she was authorized by DMH to receive services.

Katherine, the leader of the engagement team and a licensed clinical social worker, explained the therapeutic rationale behind granting prospective members immediate access to the center:

> Imagine somebody who's extremely disorganized, homeless, on a whim decides to try out a program. Your chances of them actually trying it out again [if you don't connect them to services that day]—you missed that opportunity to engage them and get them kind of excited about recovery.

Katherine observed that prospective members often showed up at Community Club without a good understanding of what programming consisted of or how they intended to use therapeutic services. She noted that workers faced a challenge in connecting people with serious mental illness to services at the first point of contact, especially when prospective members were highly symptomatic and transient. Katherine warned that, if workers did not capture people's interest the day they arrived at the center, a small window of opportunity could close quickly. In this way, workers operationalized the therapeutic logic by affording prospective members immediate access to the center.

The therapeutic logic of the clubhouse emphasizes a second dimension of treatment, engagement, which workers took to mean that treatment ought to proceed from collaborative relationships with members. Community Club workers operationalized the therapeutic logic by using flexible and unstructured activities as a foundation for engaging prospective members. Katherine describes this as follows:

> The way the program's supposed to run is we have open enrollment where people can walk in the door at any time and try out the program. And that's what our team prefers the most because we have more excitement as far as new members, people to always get to know and meet. And that's what we can also utilize the open or unstructured program the most for, because it's what we can engage people [with]. That's usually when people are kind of the most sick.

Katherine explained that when prospective members first arrived at Community Club they were generally most symptomatic and therefore struggled to tolerate the demands of structured programming. For this reason, workers adopted a range of informal strategies that maximized flexibility. They kept the center open all day long for people to walk in the door and try out the program. Workers used social activities, such as informal groups around

the pool table, to bring prospective members into conversations that were collaborative and did not foreground clinical talk. Discussions focused on casual topics that prospective members seemed to find interesting, such as current events, drinking and drugging, and housing in the city. Workers ate meals with prospective members over lunch, using easygoing conversations to inquire about their work history or previous experiences with mental health services. These fluid interactions, which I observed workers pursue throughout the day, constituted what Katherine described as the "open or unstructured program."

Ethan, the program director at Community Club, explained that extended stretches of time provided a foundation for prospective members to form a therapeutic relationship with workers:

> Here, at least, you've got some ability to build up time and interact with a variety of people. . . . You need time to formulate a relationship, you know. You need time. You need shared events. You need fun events for that stuff to coalesce around. Otherwise it's just like a visit from an official to come and do a home inspection, and there's no sense of friendship, there's no sense of trusting, or that you get me and are advocating on my behalf.

Ethan's emphasis on "shared" and "fun" events, predicated on extended time and interpersonal trust, resonates with Katherine's notion that recovery must be something for prospective members to get "excited about." Workers used flexible arrangements and unstructured time to operationalize the therapeutic logic of the clubhouse.

Finally, the therapeutic logic of the clubhouse emphasizes member self-determination. Community Club workers took this to mean that, to the greatest extent possible, prospective members ought to determine the course of their treatment. Ethan explains:

> All of the [programs] that I know of, you call up, you make an appointment, you sit down with the intake worker, you go through a series of questions, you fill out the forms, and then you're told when you'll be able to start the program. That to me doesn't really sound supportive of self-determination and internal guide. Because, what if the person just gets inspired to start the program today and we set up all these barriers? And by the time they've even gotten to the first barrier they just lost their interest.

Workers commonly reported that the open door was developed in response to the perceived failures of what they described as a "traditional" intake model. They recalled that, before they began implementing the open door, workers required prospective members to keep scheduled meetings and complete a lengthy assessment before they could begin attending the program. In interviews, several workers explained that requiring individuals to adhere to a fixed schedule, forestall their need for services, and navigate lengthy assessments erected barriers to access, especially for those whose needs were most urgent. Ethan's remarks suggest that workers believed that services were most effective when prospective members determined for themselves the extent and pace of their engagement with treatment.

THE MANAGERIAL TECHNOLOGY OF PAY FOR PERFORMANCE

When I arrived in the field in November 2009, New Frontiers was still recovering from the shockwave of then-Governor Quinn's doomsday budget. According to administrators' reports, in June of that year, New Frontiers had been informed by DMH that annual revenues would be cut by $10 million, more than half of the agency's overall contract with the state. In late August, actual cuts were reduced to $1 million. In that interval, however, New Frontiers had instituted agency-wide layoffs, including cuts to direct line staff and administrative support. When I began fieldwork, front office managers were acting quickly to restore staff positions and return productivity to necessary levels, since layoffs meant that fee-for-service revenues were now operating far below the agency's quarterly advance. Staff meetings at Community Club were characterized by extreme duress, with team leaders and program managers debating how New Frontiers would devolve productivity pressures to frontline workers.

In November 2009, New Frontiers' administrators launched an agency-wide program titled the Capturing Lost Revenue Project. Its chief component was a Pay for Performance plan, a managerial technology that would be applied to all line staff who billed fee-for-service. The plan monitored street-level workers' monthly billing productivity and attached performance incentives and penalties to fee-for-service billing. An internal memo to workers stated:

> New Frontiers was understaffed for the months of July–September (as compared to the restored contract we received in August) due to the "doomsday" budget that was sent by the state in June. Therefore, we are behind in both revenue and expenses for the year. If we are able to improve productivity we should be able to "catch up" to the higher revenue of the restored contract. . . . Productivity as an agency will be monitored closely each month.

New Frontiers established what they called a blended hourly rate for each worker, based on his or her credentials and the services he or she provided. In an interview, the front office administrator who oversaw blended hourly rate metrics explained to me that New Frontiers established rates by calculating the amount each worker needed to bill per month to cover the costs of supplying those services. Line staff who fell below 90 percent productivity for 2 consecutive months would incur a written warning. When a worker fell below productivity for 3 consecutive months, he or she would receive a corrective action. According to the plan, consistent underperformance in fee-for-service billing could lead to termination. The blended hourly rate linked the managerial logic of fee-for-service reforms to street-level practice. It standardized each worker as a unit to be applied to a task, established performance incentives as a function quasi-market inducements, and prioritized worker efficiency and accountability.

In response to fee-for-service provisions, Community Club workers were reorganized into three treatment teams: the engagement team, which conducted all intake services, provided onsite and offsite group services, and carried a relatively small individual caseload, and two community support teams that were based out of the center. Community support workers delivered case management services to members primarily in offsite locations. Workers developed three stages of intake for prospective members, with each stage reflecting a step in the managerial chain of enrolling an individual with DMH. Stage 1 registered the prospective member in the agency database and was achieved by a brief interview, as described earlier. Stage 2 consisted of a formal mental health assessment that met state billing requirements. The mental health assessment comprised approximately 20 standardized clinical instruments that establish an individual's mental health diagnosis and treatment needs. Workers completed stage 3 by submitting the individual's registration and mental health assessment to DMH for fee-for-service authorization. Once enrolled, the prospective member was assigned to the caseload of one of the three teams of workers. Under fee-for-

service guidelines, only the second stage of intake was funded directly and then only when workers were actively in the process of generating written reports. Figure 1 illustrates the three stages of intake and their relationship to fee-for-service eligibility and billing.

The Pay for Performance Plan was announced in the same month that I began fieldwork for this study. At that time, the open door and the three stages of intake existed side by side as parallel technologies, each centered by a different institutional logic. The open door operationalized the emphasis of the therapeutic logic on responsiveness, engagement, and self-determination. The three stages of intake operationalized the emphasis of the managerial logic on efficiency, standardization, and accountability. When fieldwork for this study began, New Frontiers administrators presented a mixture of opinions about how they believed street-level workers would negotiate the competing operations of the open door and Pay for Performance. Addressing the center's open door policy, Maggie, the front office administrator who directly oversaw Community Club, noted that street-level workers faced an urgent dilemma:

> They have a big challenge, just that they are a square peg fitting in a round hole. And trying to figure out how to fit in this whole Rule 132, and then into New Frontiers. I think that a challenge is that they want to sometimes keep doing what they've always been doing. . . . The challenge is managing or being able to work with all the people that come in that door. . . . The challenge is trying to kind of like, hey, what are we. We're a center. We wanna work with everybody. But we can't work with everybody because we don't have the resources or the people power.

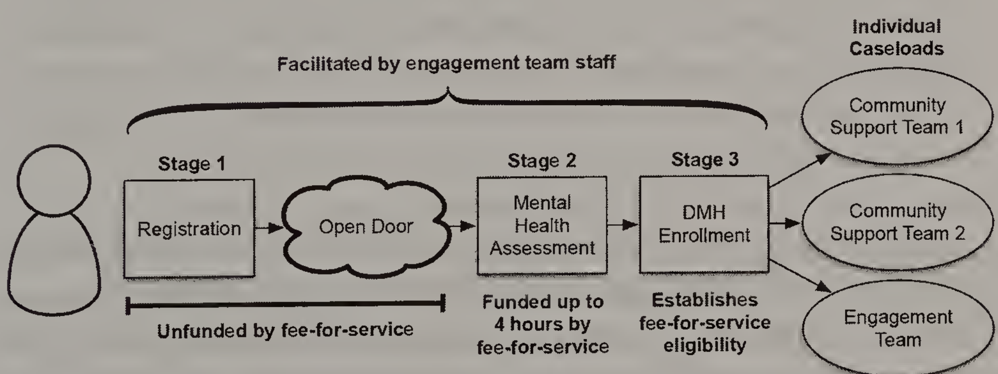

FIGURE 1. Three stages of intake

Maggie's comments, in part, reflect her structural position within the organization. As a front office administrator, her ability to maximize efficiency by focusing street-level routines on billable actions determined whether New Frontiers would survive in the fee-for-service environment. But her observations raise important questions about whether there was a fundamental contradiction between the therapeutic logic of the clubhouse and the managerial logic of fee-for-service and how workers would negotiate these competing logics in practice. Maggie's remarks point to the role worker discretion would play in mediating this dilemma, where it would be up to street-level workers to "figure out how to fit" their practices into fee-for-service regulations and triage pressing client demands with limited organizational resources.

STRUCTURED PERCEPTIONS OF PROBLEM CLIENTS

New Frontiers developed a standardized mental health assessment to meet state billing requirements. It gathered a range of clinical information from prospective members, including history of substance use and dependency, trauma history, and family background. Community Club workers referred to this lengthy regimen, printed on a thick stack of green paper, as "the green wall." In an interview, Katherine explained that, in completing the green wall, Community Club workers sought to strike a balance between the flexible operations of the open door and the standardized operations of formal assessment.

> During that couple of weeks that they're trying out the program, we're doing our own little assessment on them, pulling them aside throughout the week or couple of weeks—sitting down doing what's called the green wall, which is 20 separate singular assessments in the green wall. And it's kind of—what I like to say—a give-and-take relationship. They give us information for the assessment. We can kind of then in turn give them some assistance.

When a prospective member furnished the background information Community Club workers needed to complete the green wall, the "give and take" of assessment and assistance operated implicitly. Workers used a team-based method to approach prospective members informally, filling out the green wall as they collected new information. When assessment proceeded evenly, workers completed the green wall in about 2 weeks, which cul-

minated in a short session during which a worker met with the prospective member to review unfinished sections. With some regularity, however, I observed prospective members arriving at Community Club unable or unwilling to furnish workers with the information they needed. In its mildest expression, a prospective member might be reserved about sharing personal information and would avoid sitting down with a worker to complete it. In more extreme, but not uncommon, cases, he or she might express overt contempt for standard questioning. I observed prospective members who did not want records kept of their psychiatric history, who did not endorse the clinical diagnoses that formal assessment produced, or who took umbrage at having questions asked about topics that they considered private.

In interviews, workers discussed the conflict they faced. On the one hand, their professional training charged them with promoting accessibility for those with the greatest need for services. They viewed the open door, with its emphasis on immediate access and client-centered flexibility, as a response to their professional charge. On the other hand, prospective members often acted in ways that frustrated their attempts to efficiently procure the measured dimensions of their performance. Workers traced routine dilemmas back to the very symptoms they were attempting to treat, such as disorganized thinking, paranoid delusions, and transience. One worker, Charlie, poignantly described the difference between workers' approach to assessment and what he took to be the priority of fee-for-service billing:

> Assessment is taking a look at the person, what their presenting symptoms are, what their history is. You're not necessarily performing an intervention. But, you're seeing how they're doing and what the nature of the problem is and what the perceived threats or obstacles are. That's assessment. That's actually what a social work school will teach you assessment is.... Assessment from the state's perspective is a billable service for you to update their stupid little forms. It all has to relate back to the form. If it's not on the form, you don't ask those questions.

Charlie's comments signal a disjuncture that Community Club workers commonly experienced between the therapeutic logic of the clubhouse and the managerial logic of fee-for-service. His view of assessment emphasizes getting to know prospective members at their own pace and from their own point of view. Charlie's concern that "it all has to relate back to the form" signifies a common grievance among workers that new managerial technologies were at odds with those of the open door, pressing for routine

processing over member-directed services. The following case exemplifies what happened when the technologies of the open door came into conflict with those of Pay for Performance and how workers negotiated competing institutional logics.

Calvin, a young man in his early twenties, began attending Community Club as a prospective member during the first week of April 2010. In team meetings, workers described him as "tangential" and "difficult to follow." One worker, Brit, explained, "You're talking about one thing and then he's off on something else." Especially with male staff, Calvin came across as distant and brusque. However, despite his reluctance to enter into give-and-take conversations that allowed workers to gather information, staff agreed that he was a good candidate for services. Calvin used the center most days of the week, frequently socialized with peers around the pool table or in the dining room, and seemed to be forming new friendships with others his age. He did not regularly attend structured groups and appeared to have difficulty remaining in one place very long. From my observations, Calvin fit the profile of the kind of person workers stated the flexible open door was designed to accommodate.

In an engagement team meeting in the third week of June, Community Club workers discussed the fact that Calvin's mental health assessment was still incomplete and was now more than 30 days overdue. Front office administrators had flagged Calvin as someone who needed to be "closed" to the program if his assessment could not be completed in a timely and efficient manner. In this meeting, workers debated an array of strategies for obtaining information that was becoming increasingly costly, since their ongoing work with Calvin could not be billed and therefore did not count toward their blended hourly rates. One engagement team worker, Paul, reported that Calvin recently refused outright to talk to him.

> PAUL: I started [the mental health assessment] with Calvin and he said "no." He said, "I don't like to talk." I said, "Okay, I'll just ask you specific questions. You answer them." He goes, "Okay."
>
> CHARLIE: You know what I do is I show them the green wall. It's like, "See this? Whether I want to or not I have to ask all these questions before you're a member. You can stick your tongue out at me. You can tell me I'm an idiot. No matter what, I need to ask all these, and if I don't do it then I can't help you. So, let's just buckle down and get it all done at once—"
>
> ALICE: It's boring.
>
> CHARLIE: "—then we can go move on to more interesting things."

This exchange, which began as a discussion of Calvin's aptitude for connection with members, transformed into a tactical discussion about how to complete his overdue green wall. Charlie offered a strategy for "buckling down" and getting around Calvin's perceived obstinacy, noting that when he encounters a prospective member who refuses the formal dimensions of assessment, he simply shows him or her the green wall and reframes it as a hurdle they have to work together to overcome. Charlie's statement reflects how workers experienced standardized assessment in the context of managerial pressures for efficiency and accountability, namely, as a procedural hurdle that workers must administer whether they "want to or not." Alice's comment indicates a more personal experience of standardized treatment, "It's boring."

There are multiple ways to interpret Charlie's statement. One might view his recommendation as undermining best practice standards. Depicting the mental health assessment to a prospective member as a technical barrier could be taken to compromise its usefulness as an instrument for clinical evaluation. Conversely, one might argue that Charlie offered Paul a strategy for aligning with an otherwise difficult-to-serve individual. By putting himself in Calvin's shoes and framing the green wall as an obstacle that he shared in common, Charlie stood to normalize the feelings of discomfort it produced for Calvin. The aim of this analysis is not to weigh the merits of compliance or low-level pushback but to theorize how the conditions of work mediated workers' negotiations of competing institutional logics. Ultimately, Charlie's advice to Paul points to the structural imperative that affected workers and a recalcitrant prospective member equally: regardless of personal disposition or diagnostic complexity, workers were required to apply consistent standards efficiently.

Brit, a seasoned worker who often played the role of mediator in team discussions, followed Charlie's recommendations with the tactic she used for keeping prospective members focused on the green wall when they became resistant or overwhelmed. She directed attention away from the portion of the green wall that prospective members still had left to complete toward the sections they had finished already.

> Brit: The other thing is just sometimes say, "Okay, we have 22 of these to do, but you've done 15 so there's only 7 left. So, that's what it's gonna take to finish."
>
> Paul: He just did not want to be answering questions. It was not so much the time—he just did not.

Brit: Okay, but it's again, just refer him back to, "We need to know some things to figure out what kind of services we can provide for you. So, if you tell me what you're interested in, that will help me get through this part."

Charlie: You can also drop the printed assessment in front of him, have him write in what he wants, and you just sit there.

Brit: Right. But yeah showers and laundry are on hold until you complete assessments. Well, you know what, we've been giving him what he wants, and he's not helping us by reciprocating. So, no more showers or laundry until we complete his assessments.

Community Club workers could not directly control the fund of knowledge they needed to procure the measured dimensions of their jobs. Calvin's refusal to engage with formal assessment made the information he presided over increasingly costly for workers to obtain. Neither could workers control the standards to which they were held accountable. With limited means at their disposal to attain performance benchmarks, workers adopted an informal tactic that allowed them to cope with an unresolvable dilemma. Brit advised that workers should ration resources by withholding "showers and laundry" until Calvin "reciprocated." Evidence suggests that, under certain conditions, both the therapeutic and managerial logics were insufficient to resolve the conflicts workers faced in their daily routines. Narrowly calibrated inducements combined with scarce resources and pressing demands to distort the goals of responsiveness and efficiency, causing workers to adjust the therapeutic and managerial logics to the conditions of their jobs. Later in this same conversation, workers continued to struggle with the question of how to produce measurables while responding to Calvin's unique challenges.

Charlie: Am I the only person Calvin treats like crap over the showers and laundry? I'm guessing no.

Paul: No, he's got an attitude problem. . . . There's like an entitlement or something, an arrogance and an entitlement. That's what I believe.

Brit: Well, the time factor, I mean, this is something I still have to keep in mind. People, you know, they don't have a sense of time. They don't live in a box—the members I mean.

Charlie: We can break the entitlement thing. Give it time. He'll learn how to talk with other members and communicate.

BRIT: Yeah.

PAUL: Well, and I was surprised that he actually is getting close and getting along with the young kids his age. I thought he would be more standoffish. But, he's getting along really well with Sean and Ray.

Paul's perception of Calvin's "attitude problem" and "entitlement" again is not predictable on the face of competing institutional logics. Instead, it reflects a creative reworking of these logics that responded to, and was structured by, the conditions of work, where the operations of flexibility and standardization proved to be incompatible. Perhaps sensing that Paul's attributions of "arrogance" and "entitlement" compromised the therapeutic logic, Brit responded that people "don't live in a box," refocusing the conversation on responsiveness. Brit's emphasis on the "time factor" and Charlie's recommendation to "give it time" echo Ethan's earlier observation that engagement requires "time to formulate a relationship." However, while Brit shifted the emphasis away from Calvin's attitude problem and recentered the therapeutic logic as an organizing principle, her solution only further intensified the implicit pressures performance measures placed on workers. Put simply, time was exactly what workers did not have.

In the team meeting the following week, workers again presented Calvin for discussion. Brit and Alice each reported having had successful conversations with him. By directly tying his use of onsite showers and laundry to their formal questions, they reduced the number of incomplete sections on his mental health assessment from seven to three. Katherine noted that in the past week Calvin began speaking to her in confidence about having been a victim of early childhood sexual abuse. She speculated that his discomfort with answering personal questions posed by male staff stemmed from dynamics in his abuse history. Workers agreed that the men on the team would limit their approach to strictly easygoing conversations aimed at securing Calvin's trust. Two-and-a-half months after Calvin first walked into the center, and 45 days after his mental health assessment deadline had passed, workers finally submitted Calvin's green wall to DMH for enrollment. Workers attributed their omission of three sections to his complex trauma. They also understood that, by leaving his assessment incomplete, they were exposing New Frontiers to penalties when the state audited its billing records. Under conditions of limited time and information and given the constant pressure to produce documentation, Calvin's case demonstrates

how the managerial logic of fee-for-service reform directly competed with the therapeutic logic of the clubhouse. Workers' efforts to keep the door open to Calvin reveal structural pressures to limit flexibility, regiment the work role, and prioritize processing over responsiveness.

SHIFTING CONCEPTIONS OF THE WORK ROLE

Much as street-level workers adjusted their conceptualizations of problematic clients to meet the actuality of what they could feasibly do, the conditions of work shaped how workers interpreted their identities. Community Club workers were challenged to ensure against the recurring pressure that excessive intake volume placed on their limited resources of time and information. Katherine described how workers experienced the uncertainty of the open door, where the unpredictability of demand created conditions that often overtaxed workers and made the work situation seem unmanageable:

> [The open door] literally goes from 9–5, and you have no idea when members are gonna come in. And what also—at the exact the same time—can happen is there can be a fight in the lobby as three people are waiting for an intake. And the toilet can overflow. I mean there's like god knows how much shit is going on.

Workers held the door open to prospective members in an effort to operationalize the therapeutic logic of the clubhouse. But, by holding the door open and allowing prospective members to determine their own pace of engagement with services, workers were subject to the ever-present possibility that in any given moment there might be too much "shit" going on to meet all the demands of their jobs. When demand outstripped scarce resources, breakdowns emerged on the front lines. Prospective members spent substantial time at the center on a given day without directly interacting with a worker, arguments developed between members and prospective members without adequate staff supervision, and individuals piled up in the intake queue with incomplete paperwork.

Community Club workers encountered a second pressure that extended and intensified the resource-demand problem. Workers not only had to guard against the constant threat that demand would overwhelm supply, they also had to anticipate and protect against periods of insufficient demand. In their constant effort to avoid sanctions and administrative

hassles, workers had to ensure that they generated enough ongoing demand to sustain productivity. Too much demand was a problem because it created an unmanageable amount of service volume and paperwork processing. Too little demand was a problem because it restricted billing opportunities. Community Club workers were pressed on both sides of the supply-demand equation to titrate scarce resources to thin margins, which were assessed each month in their blended hourly rates.

In the year that I was in the field, Community Club workers encountered myriad structural challenges that shaped the measured dimensions of their performance. Several line staff positions were vacated by turnover and were never filled. Understaffing meant that workers, who normally would have been available on the floor to greet prospective members, were shifted into other roles, such as administering group or case management services, in order to cover shortages. Workers reported that they often provided more than enough services to hit their productivity targets, but because of understaffing they were unable to protect the time necessary to document these services in an 8-hour day. Workers reported taking home, on average, 10 hours of billing each week on top of a 40-hour work week. Still, their efforts were insufficient to consistently meet productivity requirements. Between June and August of 2010, half of the engagement team was issued written warnings for failures to meet blended hourly rate targets.

In the months leading up to the new fiscal year in July, Community Club workers increasingly expressed concern about their inability to sustain productivity. In one staff meeting, Ester, a community support team leader, asked Ethan if he anticipated any further layoffs at the center. What stands out in Ester's remarks is the way that she differentiated line staff from managers.

> ESTER: Are they laying off revenue-generating staff or just admin?
>
> ETHAN: No, that's the only thing that really is nice in this whole thing is that what is remaining untouched is people who are currently doing Medicaid billing. You need [them] to continue to do Medicaid billing.

New Frontiers faced steep fiscal challenges to remain viable in a tightening fiscal environment. Administrators' ability to rein in excessive costs and maximize fee-for-services revenues determined whether the organization would survive in an era of heightened austerity. Ester's distinction between line workers, who generated revenue for the agency, and administrators,

whose day-to-day actions were not directly fungible, reflects a conceptual shift in workers' interpretations of their value to the agency. I observed that workers increasingly experienced their structural role as a contest for self-preservation in a zero-sum economic game, where the value of their labor was primarily to generate revenue for the agency. This shifting conception of the work role suggests a deepening penetration of the market into the everyday life of work on the front lines of human services (Soss, Fording, and Schram 2009; Soss et al. 2013).

In an interview, Ethan expressed his concern that new managerial technologies tilted organizational incentives toward revenue generation as an end in itself, ultimately competing with the therapeutic logic of the clubhouse for scarce organizational resources.

> Ethan: In looking back on things, it seemed for many years that there was more of a focus on staff relationships. And now it's shifted. I don't know, right now it's just business. You know, it's bottom line stuff. It's not even really about member well-being. It's bottom line stuff.
>
> Interviewer: How has the mission changed?
>
> Ethan: Well, you know—I think when you have to pay attention—when direct service staff have to be a part of the financial machinery, you really force a distraction and to me a conflict of interest. And that's what changed.

Under the grant-in-aid system, front office administrators bore the responsibility for generating revenue through state contracts and private contributions. This managerial arrangement sheltered the day-to-day routines of street-level workers from financial pressures to sustain operating costs. Under fee-for-service arrangements, workers generated revenue directly for the organization by sustaining service volume. Ethan reflected that changing governance structures produced a "shift" in staff relationships away from primary regard for "member well-being" and toward the "business" of productivity. According to Ethan, quasi-market inducements of new public management restructured the work role, creating a "conflict of interest."

> The first 20 years that I was here money wasn't an issue. It was, you know, we had a budget and we got a grant-in-aid package, and there was never really any auditing around it. There was really never any measurement tools. It was just kind of an agreement that you get this money and we trust New

> Frontiers to do it well. Documentation . . . was just a perfunctory. There was no Medicaid standards. . . . So, not having that to attend to, you could really give your attention to, I mean, our team meetings were all about what does this member want and need. There was no talk about billing, documentation, time, any of that. It was all what does this member need and want.

In one sense, Ethan's remarks could be taken to demonstrate precisely why new managerial reforms were needed. In the absence of performance measures, street-level workers were unaccountable for their actions and responded to an absence of standards by treating documentation responsibilities as "perfunctory." In fact, this is the very criticism that public reformers leveled against the block grant system, noting that a lack of monitoring created conditions whereby third-party payers had no ability to ensure that they received what they paid for. Ethan's comments yield a second interpretation that is not mutually exclusive of the first. When resources are tightly constrained, performance measurement competes with therapeutic responsiveness for workers' "attention." Ethan reported that, in the absence of "measurement" and "auditing," workers were able to give their full attention to what members "want and need." His comments invoke a tension between the therapeutic and managerial logics, suggesting that when resources were chronically limited, fee-for-service arrangements directed workers' energies away from members' needs and toward what the organization was paid to produce: documentation.

Workers themselves were not unaware of these competing institutional demands and, at times, they explicitly invoked the managerial logic in their efforts to project survival strategies. Charlie drew a distinction between his view of accountability and his sense that Ethan and Katharine focused too narrowly on the therapeutic logic: "I actually view my job on the team is to keep us honest and not let Ethan and Katherine drag us down to no-accountability-land-to-your-funder." The questions of what accountability to state funders entailed and what its implications were for services was an ongoing debate among workers, who understood well that if the therapeutic logic was to survive it would have to incorporate the counter managerial logic. How precisely to navigate this tension, however, remained an open and unsettled debate. Scholars of street-level organizations will be familiar with the brand of nostalgia Ethan expressed for a bygone era when administrative pressures were fewer and workers were able to give more of their time to face-to-face interactions. My observations lend credence to the

notion that paperwork responsibilities reduced the amount of time workers spent providing services in a day. Beginning in 2008, Community Club instituted a policy of closing its doors 1 day a week to allow workers to spend that day completing fee-for-service documentation. Also, blended hourly rates assumed that workers would spend 2.5 hours of each 8-hour shift documenting services. These adjustments, which compromised worker availability, reinforced workers' shifting construction of themselves as revenue generators.

INDIRECT AND DIRECT SERVICE RATIONING

In the months leading up to fiscal year 2011 reforms, Community Club workers shifted more work onto themselves in an effort to counterbalance staff attrition. Understaffing meant that fewer caseworker slots were available to receive prospective members once they completed enrollment. In an effort to move individuals through intake, street-level workers consistently carried caseloads well beyond limits set by New Frontiers. Despite workers' efforts to shoulder more burdens, prospective members continued to stack up in the intake queue without caseworker slots to absorb them. In June, engagement team workers temporarily closed the open door until they could process roughly 15 individuals who either had incomplete paperwork or were waiting to have a caseworker assigned to them. Workers began to employ the phrase "there's no room at the inn" to signify the unresolvable dearth of caseload availability.

> ETHAN: The driving factor is that you can't maintain an open door right now because there aren't adequate slots to move people off onto. If they could maintain a constant open door with no backing up, then it would just be a clean center-based program. But, because it's never that way—
>
> INTERVIEWER: And the bottlenecking happens on [the caseworker's] side, right?
>
> ETHAN: Yeah, the bottlenecking happens, so then the door closes.

Ethan's notion of a "clean center-based program" alludes to an ideal organizational state that I never observed in which program resources are adequate to meet the demands of the open door. Under structural pressures of members' uneven attendance, staffing shortages, and unyielding productivity demands, open-door engagement practices increasingly came to con-

stitute a source of deep organizational strife and contested logics. Community Club workers advocated in staff meetings for the importance of the open door as a means to advance the therapeutic logic of the clubhouse. Workers insisted that a steady stream of prospective members was necessary to enhance the vitality of the milieu and to sustain downstream billing in the fee-for-service environment. At the same time, they were becoming increasingly aware of the incompatibility of the open door with the managerial logic and the conditions of their work.

> KATHERINE: New Frontiers is gonna start freaking out because they're not gonna make the money. So, they're gonna start increasing [our productivity] numbers. I know they are.
>
> CHARLIE: You need the blood though.
>
> KATHERINE: We need the blood. You can't open the door—
>
> CHARLIE: So, the only way to get the blood is to open the door. I say we admit the people and take our chances.

In this conversation, Katherine predicted that without an open door Community Club would fail to produce new sources of revenue, leading New Frontiers to "start freaking out." She cautioned that if workers could not find a way to bring in revenue, the front office would respond to cash shortages by increasing the one thing they could control directly: productivity requirements. Charlie countered that without "the blood," workers would be unable to meet their "numbers." I observed workers employing the metaphor of blood in several team meetings during this time. The notion of needing "the blood" emerged at the intersection of the competing therapeutic and managerial logics, suggesting several possible condensed meanings. Just as blood is a source of life in the human body, prospective members supplied fresh input and vigor to the center. Blood is the ultimate price of battle and a mark of sacrifice, both of which increasingly came to resonate with workers' experiences. And, perhaps most aptly, it held the one lesson workers would have liked front office administrators to learn: you can't squeeze blood out of a turnip. Katherine warned that, as much as Community Club needed "the blood," workers could not solve their dilemmas simply by throwing the door open; resources would not allow it.

> KATHERINE: You understand that if we open the door, we are gonna be pulling our hair out more than we are now.

> CHARLIE: It doesn't have to be like it used to be, there's no more walk-ins. It's scheduled appointments and we gotta be hard ass about it.
>
> KATHERINE: No, it would have to be walk-ins. [Otherwise] it doesn't work.
>
> BRIT: 'Cuz people don't have the ability to show up at an appointed time.
>
> CHARLIE: You're gonna get more people like Clemente, but that is the future, folks.

Charlie concluded that workers needed to open the door to bring in new members, but he cautioned that if workers held the door open, they would have to adjust the operations of intake to better titrate resources to demands. Instead of the open door technologies of immediate access and flexibility, he contended that workers could employ "scheduled appointments" to avoid Katherine's caveat that "we are gonna be pulling our hair out." Charlie's argument for using appointments introduces the fact that workers had discretionary tools at their disposal for rationing resources. But his warning that workers would have to be "hard ass about it" suggests that introducing them would involve not only an operational shift away from immediate access and flexibility but also a logical transformation of professional identity. His incitement to be "hard ass" about scheduled appointments reflects another manner in which competing institutional logics became unmoored, and were creatively transformed, at the site of contradiction. Charlie's provocation reflects the structural pressures of deepening austerity, as workers struggled to resolve the formidable combination of insufficient resources and managerial directives for efficiency and accountability.

Katherine and Brit met Charlie's structurally mediated proposition with counterpoints. Their caveats echo Brit's earlier injunction that prospective members coming in off the street may not share workers' "sense of time" and "don't live in a box." Advancing the therapeutic logic of the clubhouse, Katherine and Brit argued, "it doesn't work" for prospective members to "show up at an appointed time." Charlie seemed resigned to what he saw as being the inevitable product of fee-for-service reform. He concluded that in the "future" community mental health services would be accessible only to people like Clemente, a member who was known by workers for his extreme punctuality and orderliness. Clemente represents the opposite of the type of person Katherine described earlier when she remarked that the open door was well suited to respond to someone "who's extremely disorganized, homeless," and "on a whim decides to try out a program."

On July 1, 2010, state reforms went into effect that ended remaining grant-in-aid funding to Community Club. In this gesture, the state eliminated about half of the center's operating budget. Fee-for-service reforms also ended funding for individuals who were not already enrolled in Medicaid. This meant that a mental health assessment establishing psychiatric diagnosis would no longer be adequate to enroll prospective members with DMH for services.

New Frontiers responded to these reforms by closing the open door at Community Club permanently. The front office implemented an agency-wide policy that going forward it would only accept Medicaid-eligible people as new members. In an effort to maximize frontline efficiency, New Frontiers sought to develop an intake model that assigned one point person from the engagement team to coordinate all intakes and established a 2-day window for completing registration and assessment. Emphasizing standardization and accountability, New Frontiers sought to develop a unique blended hourly rate for that worker based upon fee-for-service reimbursements and workload expectations. These changes advanced the managerial logic that efficiency could be maximized through performance measures that treated the worker as a unit to be applied to a task. Harold, a top-level executive at New Frontiers, explained what ultimately drove these changes in the organization's behavior:

> Provider organizations are almost the simplest creatures on the planet. They're more complicated than amoebae, but not by that much. They will do whatever you pay them to do. . . . If you want to get better behavior from them, you structure the financial incentives, and they'll behave differently. So, what you're getting from providers is exactly what you should expect to get, given the way you structured it.

Harold's observation that organizations "will do whatever you pay them to do" conveys a managerial logic that was only partly supported by the everyday routines of frontline workers. Indeed, financial incentives restructured logics and practices, but they did so in ways that were not immediately evident on the face of policy statutes. Street-level workers not only did what they were paid to do, they also adapted to reforms in governance and financing in ways that often varied markedly from what formal provisions would have predicted, suffusing extra-local meanings with local force and significance (Hallett and Ventresca 2006).

In the months following the closing of the open door, workers wrestled with a multitude of dilemmas. New Frontiers pressed workers to close members who were not already Medicaid-eligible. Because of the bureaucratic nature of public aid in Illinois, many members with psychiatric diagnoses were slated for termination even though they were months into the process of applying and reapplying for Medicaid. Estimates at the time suggested that, across the state, about 60,000 uninsured people with serious mental illness would lose access to services (Rubin and Long 2010). Prospective members at Community Club who were not yet Medicaid-eligible, including many people who were highly symptomatic and socially vulnerable, were also flagged to be closed to services. Ethan explained that, as a consequence of austerity measures, pathways to access now tilted in favor of those who were the most well-off within the system.

> We are serving people who are financially capable of receiving services now, which is not, was not, our mandate, was not what we wanted to do. In fact, one of the things that kept me at Community Club, and I was so impressed about it my very first days on, was that Community Club was always considered that hope of the last resort, that if everything else had not worked out, you could come here, and they would make things work for you. We just didn't throw people out. . . . If you had an Axis I diagnosis from anybody that said mental illness, we were going to work with you. Yeah, money? Never. Billing stuff? Never was a part of the discussion. It was more like what is it that you want and how can what we provide here to help you get that? So, yeah, it's largely, it's just, I mean, turn people away? For money? Doesn't make any sense.

DISCUSSION

The institutional logics perspective, which posits that each social institution is defined by a central logic and that the multiple institutional logics present within organizations shape the beliefs and actions of individuals, provides an analytic framework for examining several dimensions of this study. Community Club comprised multiple and interlocking institutional logics. Organizational technologies linked these institutional logics to everyday procedures. David Harvey (2014) identifies two theoretical approaches to the analysis of contradiction. In the Aristotelean tradition, a contradiction posits that if A is true, then B cannot also be true. In the tradition of political economy, a contradiction occurs whenever there is a structural tension

between two opposing tendencies within a system. The dilemmas Community Club workers faced suggest a contradiction in the structural sense. The more the therapeutic logic shaped workers' practices, the more their flexible routines failed to sync with managerial directives and inducements. As one administrator put it, Community Club workers faced the proverbial problem of fitting a square peg into a round hole. These findings demonstrate the value of empirical investigation that examines how contests over institutional logics play out in real-world organizations. To the extent that an organizational ethnography can show how contradictions emerge in practice, it enhances the visibility of the products of social policy reform (Brodkin 2013).

While the therapeutic logic was in many ways threatened by the managerial logic, Community Club workers used it to contest their perceptions of managerial encroachment, jockeying to protect the therapeutic technologies they believed best accommodated people who were most in need of services. In upholding this logic, workers behaved in ways that sometimes did not conform to the typical image of a street-level bureaucrat. Community Club workers often made decisions that increased the toll on their energies and pushed back against managerial directives even when their opposition exposed them to extra work and added hassles. The therapeutic logic of the clubhouse might be viewed as a source of footing (Goffman 1979) that offered workers some leverage for low-level resistance to the perceived incursion of new managerial reforms. In the midst of struggling with a problematic client, for instance, workers continued to refashion and rehearse the therapeutic logic at precisely the moment it appeared to be most in jeopardy of becoming unmoored, reminding one another that prospective members "don't live in a box" and to "give it time." These everyday meanings point to the durability of the therapeutic logic even as it was dislodged by a competing institutional logic. They also illustrate how street-level workers engaged in a battle to control the definition of time itself against the impulse of the market "to capture every moment of the worker's time in the labor process" (Harvey 2010, 142). Other studies have demonstrated, across multiple states, both the manner in which new managerial reforms catch mental health workers in contradictions and the ways in which committed workers sometimes push back against them (Ware et al. 2000; Kirschner and Lachicotte 2001; Lamphere 2005; Hopper 2006; Willging, Waitzkin, and Nicdao 2008; Spitzmueller 2014). My study builds on this important, if underrepresented, literature.

Although the therapeutic logic remained an active and contested dimension of Community Club services, it often failed to curtail the advance of the managerial logic. When changing governance structures introduce new technologies, Scott and colleagues (2000) assert, “conflicting logics and contending institutional regimes weaken the legitimacy of entrenched interests and provide openings for new actors and interests” (338). Besharov and Smith (2014) provide a framework for understanding why the managerial logic often outstripped the therapeutic logic. Low compatibility means that the two logics did not prescribe mutually reinforcing actions. High centralization means that, in their daily functions, workers were continuously confronted with irreconcilable demands with no clear transition between competing logics. The managerial logic derives power from its capacity to legitimate a set of organizational technologies that bring street-level practices into alignment with the regulatory environment of fee-for-service financing. In other words, there is a legitimate link between the managerial logic of fee-for-service and the technologies of Pay for Performance, which calibrated, monitored, and incentivized work. The therapeutic logic of the clubhouse, in contrast, thrived under the block grant system. Its technologies of openness, flexibility, and unstructured time do not conform to the regulatory environment in which it was situated. Legitimacy shaped the relative power workers could deploy as they used competing logics to press for their interests. In their struggle over meanings and operations, workers came to understand themselves as “revenue generators,” reflecting that, in the current regulatory environment, they viewed their primary value to the agency as driving productivity. This evolving identity reflects the changing conditions of work, suggesting a deep penetration of new public management, with its emphasis on quasi-market technologies, into workers’ everyday routines.

While the institutional logics perspective sheds light on the contested nature of pluralism in this article, there are certain meanings that street-level workers produced that, on their face, do not conform to either the therapeutic or the managerial logic. Friedland and Alford (1991) argue that heterogeneity provides the condition of possibility for workers to transform institutional logics. Organizational actors are not passive recipients of institutional logics but actively adapt them to local contexts of practice and may construct new meanings from the residual materials of incommensurability. I will argue that, in this respect, street-level organizational theory stands to

make an important contribution to the further development of the institutional logics perspective.

Street-level organizational theory directs analytic attention to the ways in which organizational resources, demands, and incentives structure workers' discretionary routines. I show that street-level practice emerges from the conditions of work as workers attempt to cope with structural shifts in governance and the dilemmas these changes precipitate. Paul's claim that Calvin refuses to talk because he has an "attitude problem," not to mention his "arrogance" and "entitlement," reflects neither the therapeutic nor the managerial logic. Similarly, Brit's proposal that workers manage Calvin's obstinacy by withholding showers and laundry, in other words, by "husbanding resources" (Lipsky 1980, 125), is not traceable to either logic in its ideal form. To make sense of these emergent constructs and practices, we must analyze what they are responding to, which is to say, how the conditions of work structure the specific configuration these transformations of institutional logics assume.

Garrow and Hasenfeld (2012) observe that when human service organizations encounter the competing institutional logics of therapeutic service and market-based production, an agency's ability to decouple and compartmentalize business operations is essential to protecting space for the therapeutic logic to survive. Their findings provide a theoretical framework for thinking about why Community Club workers were so vulnerable to the encroachment of the managerial logic in their day-to-day practices and identities. Under a regulatory system that reconstituted workers as, in Ethan's words, "part of the financial machinery," the organization could not decouple and compartmentalize its business and therapeutic functions. Perhaps more than any other street-level worker I observed, Charlie wrestled most explicitly with what it might mean to incorporate and accommodate the managerial logic. His perception that his role on the team was to "keep us honest and not let Ethan and Katherine drag us down to no-accountability-land-to-your-funder" evinces a keen awareness of the shifting demands regulatory reforms placed on street-level practice. Charlie often played the role of contrarian in team discussions and, in my estimation, rather ingeniously engaged the therapeutic-managerial dialectic. The notion, however, that in playing this role he was keeping people "honest" lends support to the claim that legitimacy not only has a regulatory dimension but a normative and cultural-cognitive one as well. Later, Charlie

warned his coworkers that the only way to bring in "the blood" was to introduce scheduled appointments and be "hard ass about it." Charlie's quick and coarse banter reflects the fact that the managerial logic not only legitimated a new set of organizational technologies but also required workers to transform their clubhouse identity.

Street-level organizational theory provides an important inroad and complementary theoretical framework to the institutional logics perspective, offering a structural explanation for how workers cope with unresolvable contradictions. The dense significations of a prospective member's "attitude problem," "the blood" workers need to hit their productivity targets, and the charge to be "hard ass" about adopting scheduled appointments indeed indicate an unmooring and fragmentation of the therapeutic logic of the clubhouse. But they do not suggest a straightforward replacement by the managerial logic. Instead, I have argued that these meanings are legible as street-level practice. When there was too much "shit" going on, when the resources workers had to do their jobs were inadequate to manage overwhelming and unpredictable demand, and when performance measures incentivized mass processing of documentation over and above client-centered engagement, workers adjusted their practices to match what they could reasonably do. These findings raise important questions about the nature of both institutional logics and street-level practice. Under different conditions, would we expect to see different reconstructions of these logics? Is the practice of reformulating competing institutional logics simply another way to understand what street-level workers do? These questions point to generative opportunities for further analysis and theory development.

The significations of street-level practice not only emerged from the conditions of work but also fed back and became a part of the context that restructured workers' everyday experiences of their jobs. The contested nature of organizational life was not lost on workers and, in fact, seemed to chip away at the value they derived from their work, becoming yet one more source of stress that signified the futility of their charge (Brodwin 2010). Ultimately, the open door proved too onerous for New Frontiers to maintain, and the decision was made to close it. This unilateral action constitutes a form of direct rationing that likely would have made it nearly impossible for someone like Calvin to have successfully accessed services, or to have accessed them in a way that he felt respected his extreme sense of privacy. The very characteristics that defined Calvin as a person in need of services also impinged upon his ability to efficiently progress through the three stages of intake, apparently confirming Ethan's caveat that "you need time

to formulate a relationship" and a "sense of trusting." Without the trust Community Club workers ultimately were able to secure, and the time they needed to secure it, it is hard to imagine that Calvin would have seen through his decision to connect with services.

In place of the open door, the front office developed an intake process that foregrounded Medicaid eligibility, scheduled appointments, and the billable dimensions of work, in other words, those aspects of their job that workers considered most "boring." From the point of view of administrators, these managerial technologies would function as a means of increasing program efficiency, standardization, and accountability. From the perspective of street-level workers, these strategies would impose barriers that indirectly rationed services at the expense of those who needed them most, further hollowing out the therapeutic logic as the organizing principle of their clinical actions and identities. According to Ethan, these products of reform biased the probability of who could access the center toward those who were most well off, redefining what Community Club could be and for whom.

LIMITATIONS

This study has limits that are important to consider. It examines Medicaid fee-for-service reforms in one state only, and Medicaid plans vary considerably from one state to the next. This study also looks at one organization only. The exact mechanisms through which institutional logics are situated and contested in mental health organizations are likely to vary across settings. While bias is always a possibility in an ethnographic study of this nature, I made every effort to gather all points of view and to ensure that my analysis was rigorous and fair. I interviewed participants at multiple levels of policy formation and implementation, capturing as many perspectives as possible in an effort to assemble a full understanding of fee-for-service reforms and their street-level products. My observations of the everyday practices of Community Club workers were intensive and ongoing, providing me with a deep familiarity with both the day-to-day rhythms of the center and the daily patterns of individual workers.

IMPLICATIONS FOR PRACTICE AND POLICY

Policy reform is continuous and ongoing. This article offers a window into the challenges workers faced in their efforts to make services accessible to

those who were most in need during a time of profound structural change. It also provides an opportunity for reflection on community mental health policy, especially as reformers undertake a new cycle of policy shifts toward managed care, coordinated care, and value-based payments.

My findings suggest that it might be important for payment schedules to recognize engagement as a precursor to formal assessment. Community Club's open door policy sought to accommodate the help-seeking styles of individuals with serious mental illness. Policy changes that make it impossible for a center to maintain a flexible point of entry may systematically exclude people with serious mental illness who seek help by "muddling through" (Pescosolido, Gardner, and Lubell 1998, 275). Individuals like Calvin, who seemed to benefit most from flexibility, were often those who were most in need. Policy makers might also consider payment systems that calibrate reimbursement to the unique demands of clients with serious mental illness. Clients who are unable to plan, schedule, and attend structured intake appointments by virtue of their disabilities may require behavioral health systems that can accommodate them. Payments might also remunerate providers with added incentives for working with especially difficult-to-reach individuals by adjusting billing schedules to case complexity. Finally, this study suggests that centers and social clubs may constitute an important dimension of the service landscape that can provide unique resources for entry into the mental health system. Without attention to these concerns, community mental health services may continue to fail to reach those with the greatest need for them.

CONCLUSION

These findings demonstrate the value of an ethnographic analysis that uses a street-level organizational perspective to examine what happened when competing institutional logics met in one community mental health organization. This investigation extends street-level theory by showing how institutional logics that had their origin outside of the organization shaped workers' everyday routines. It also contributes to the refinement of the institutional logics perspective by theorizing how typical conditions of work structure the transformation of institutional logics. The street-level practices that workers adopt as a course of adjusting informally to the conditions of work are crucial for organizational and community mental health scholars to understand. These effects structure both the experiences and products of

everyday work on the front lines of social service delivery, and shape possibilities for those vulnerable individuals who rely on workers' discretion for access to services.

NOTE

Matthew C. Spitzmueller is an assistant professor at Syracuse University. His research examines community mental health services, mental health policy, and organizational theory.
The author wishes to thank the workers at Community Club, whose openness to this project made it possible; Evelyn Brodkin, whose support for this study shaped it at every turn; Bill Sites and Jerry Floersch, who creatively engaged this study and made it stronger; and the editor and reviewers, whose careful feedback tightened the framing of this paper. Research was supported by a grant to Evelyn Brodkin from the Center for Health Administration Studies at the University of Chicago.

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The Potential for Savings Accounts to Protect Young-Adult Households from Unsecured Debt in Periods of Macroeconomic Stability and Decline

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ABSTRACT The effects of different types of debt can vary widely: some debt is considered productive by advancing financial health, while other debt can be unproductive, pushing financial health out of reach. A savings account may be associated with young-adult households' reduced reliance on unproductive debt and their increased access to productive debt that can facilitate wealth building. This article tests the association between a savings account and debt in the lives of American young adults during periods of macroeconomic stability and decline. Owning a savings account in 1996 was associated with a 14 percent decrease ($844) in young-adult households' accumulated unsecured debt, while closing an account in 2008 was associated with a 12 percent increase ($1,320) in this type of debt. Thus, a savings account may help young adults invest in their debt by entering better, healthier credit markets and protecting them from riskier ones, especially during bad economic times.

INTRODUCTION

Following the Great Recession of 2007–9, public discussion has increasingly focused on the financial well-being of young-adult households and, in particular, on the potential effect of indebtedness on their financial health and life transitions (Mazumder 2012; Pew Charitable Trusts 2013). The average overall debt—including mortgage, vehicle, credit card, and student loan debt—of households headed by those in their mid-20s was approximately $60,000 in 2010 (Hodson and Dwyer 2014), and the current generation of young adults may be delaying marriage, parenthood, and homeownership in part due to their accumulated debt (Hodson and Dwyer 2014; Houle and

Social Service Review (March 2016). 0037-7961/2016/9001-0003$10.00

Berger 2015). Beyond the relationship that debt has with young adults' immediate life transitions, mounting debt can push financial health out of reach for young adults and limit their chances for economic mobility over the life course.

PRODUCTIVE AND UNPRODUCTIVE DEBT

Not all debt is a drain on the balance sheet, and, for this reason, some have called debt a "double-edged sword" (Hodson and Dwyer 2014). In some cases, debt can be used productively to promote financial health through building one's credit and improving one's financial standing (Dwyer, McCloud, and Hodson 2011). Mortgage debt undertaken on a home that might generate equity is one example of this (Houle and Berger 2015). Mortgage debt is considered secured or collateralized because it is connected to a tangible asset, a home. If a borrower falls behind on his or her mortgage payments, a lender can repossess the home in order to settle the debt. However, a borrower who makes regular mortgage payments has the benefit of improving his or her credit score and of investing in a type of debt that may eventually increase wealth via home equity. While secured debt is not always associated with improved financial health—as was the case during the Great Recession when equity on some home mortgages was negative and many households found themselves overleveraged (Ferreira, Gyourko, and Tracy 2010)—its collateralized nature allows borrowers to leverage existing assets and to bend credit markets to their advantage (Campbell and Hercowitz 2005). In other words, the use of secured debt could also be considered a type of investment.

In other cases, however, debt can act as a drain on resources rather than as an investment in future gain. For instance, paying down high interest on credit through long repayment plans is an example of unproductive debt (Caskey 2001, 2005; Houle 2014). Credit card and payday loan debt are both considered unsecured because existing assets have not been leveraged as collateral for payment of the debt (Chatterjee et al. 2007). A borrower who falls behind on his or her credit card payments, for example, pays high interest on the outstanding debt. If the debt remains unpaid, the credit card company could file a lawsuit against the borrower or report the borrower to a credit reporting agency in order to settle the debt. Regular payments may still improve the borrower's credit score, but these payments are not an investment in an income-generating asset in the same way as payments

toward secured debt. While there may be times when unsecured debt from credit cards or payday lenders helps young-adult households meet short-term goals on their path to financial health (Morse 2011; Fitzpatrick and Coleman-Jensen 2014), generally speaking, unsecured debt costs its borrowers more and places them at greater financial risk than does secured debt.

Unfortunately, unsecured debt is more widely available to lower-income households than secured debt (Bolton and Rosenthal 2005). Households often do not have to put up collateral in order to use this type of debt, making it more accessible for lower-income households, who, by definition, have fewer financial resources to leverage (Sullivan 2008), and lenders of unsecured tend to be located in closer proximities to lower-income households (Bhutta 2014; Dunham and Foster 2015). This demonstrates a potential bifurcation within the borrowing system that may steer higher-income, more advantaged households toward secured, productive debt and lower-income, less advantaged households toward unsecured, unproductive debt (Brown and Taylor 2008; Sullivan 2008; Houle 2014). The different types of debt and their potentially productive and unproductive effects are what make debt an important component of young Americans' balance sheets and worthy of exploration.

THE ASSOCIATION BETWEEN A SAVINGS ACCOUNT AND DEBT

Of course reliance on and use of debt is intricately tied to a household's assets. Young adults who hold liquid assets and have positive net worth may have the financial resources to weather unexpected changes in income or expenses and to further invest in their futures (Rank and Hirschl 2010; Bell and Blanchflower 2011). Thus, finding strategies that facilitate asset acquisition and accumulation may help steer young adults toward healthier balance sheets and may increase their chances for economic mobility.

Research suggests that ownership or acquisition of a savings account may be associated with a decrease in reliance on unproductive debt among young adults (Sherraden 1991; Grinstein-Weiss, Oliphant et al. 2015). For example, Terri Friedline, Paul Johnson, and Robert Hughes (2014) find that the young adults who owned or acquired savings accounts had more diverse asset portfolios, exemplified by their ownership of checking, stock, and retirement accounts. While these researchers found that the acquisition of a savings account contributed $50 to young adults' accumulated liquid

assets, they also discovered that the contribution exceeded $5,000 when a savings account was combined with a diverse asset portfolio (Friedline et al. 2014). These researchers hypothesize that a savings account is associated with asset diversification and accumulation, potentially serving as a gateway to financial health.

Just as a savings account may be associated with building the assets of young Americans, a savings account may also be associated with debt. Specifically, a savings account may be associated with young-adult households' access to and accumulation of secured, productive debt that may be used to achieve financial health and upward economic mobility. It may also be associated with protection against accessing and accumulating unsecured, unproductive debt that may damage their financial health.

In this article, we assess whether having a savings account is associated with the increased use of productive debt and reduced reliance on unproductive debt among young-adult Americans, a financially vulnerable population. To probe fully the association between a savings account and debt in the lives of young adults, we examine these relationships during two very different economic times: 1996, a year amid a period of macroeconomic stability and credit market expansion, and 2008, a year of macroeconomic decline and credit market retraction. We hypothesize that households without savings accounts will be more likely to acquire and accumulate unsecured debt than households that hold savings accounts and that this difference will be more pronounced during difficult economic times. We also suspect that a savings account may relate to the use of secured debt and that this relationship will be more pronounced during difficult economic times. Our findings provide some evidence in support of these hypothesized associations between a savings account and debt, even though our analyses are unable to rule out whether the associations are driven by unobserved factors or the comparison of young-adult households with and without a savings account.

BACKGROUND

LENDING AND BORROWING DURING MACROECONOMIC STABILITY AND DECLINE: THE 1990S AND 2000S

The latter years of the 1990s are well known for being a period of macroeconomic stability and growth. Low inflation and unemployment rates are typically attributed to this period's strong economy. The inflation rate

remained below 3 percent for the majority of the decade, and the 8 percent unemployment rate that was recorded at the beginning of the 1990s dropped by half by the decade's end (Frankel and Orszag 2002; Bureau of Labor Statistics 2015). An unemployment rate of 4 percent can be interpreted as an unemployment rate of zero in a capitalist economy (Board of Governors of the Federal Reserve System 2015). The economy (measured by growth in the real gross domestic product) grew by 4 percent each year during the nineties, and growth from productivity nearly doubled, averaging almost 3 percent by the end of the decade (Weller 2002).

Some of this macroeconomic growth trickled down to households.[1] Workers' hourly wages experienced moderate increases in the latter half of the 1990s despite having been relatively stagnant since the 1970s (Mishel et al. 2012), although households' personal saving rates were at all-time lows and neared zero percent (Guidolin and La Jeunesse 2007). The homeownership rate also increased from approximately 63 percent to 67 percent, and the total value of home mortgages increased from \$2 billion to \$4 billion between 1990 and 2000 (Dynan and Kohn 2007; Aughinbaugh 2013; Joint Center for Housing Studies 2015).

Banking legislation in the 1990s also changed the ways in which banking institutions were regulated and households accessed and used debt (FDIC 1997). A banking crisis—spurred in part by regional recessions, excessive lending risks, and a high number of bank closures—coincided with the start of the 1990s (FDIC 1997). Since it was believed that deregulation could lessen or reverse the crisis, legislation was enacted during the middle and latter parts of the 1990s that relaxed restrictions on banking institutions. In 1994, the Riegle-Neal Interstate Banking and Branching Efficiency Act permitted banks to offer services across state lines (FDIC 1997). The Gramm-Leach-Bliley Act of 1999 was passed to replace the Glass-Steagall Act of 1932,

1. While the United States as a whole experienced macroeconomic growth in the 1990s, as evidenced in part by expanded productivity (Jorgenson et al. 2008), this growth did not necessarily translate into healthy balance sheets for all Americans. For instance, in the late 1990s, younger households headed by someone age 42 or less had about 29 percent of the median net worth held by older households, female-headed households had about 9 percent of the median net worth of male-headed households, black households had about 14 percent of the median net worth held by white households, and high school–educated households had about 19 percent of the median net worth held by college-educated households (Friedline, Nam, and Loke 2014). Likewise, beginning in 2007, the United States experienced one of the most widespread and deepest economic recessions since the Great Depression.

which had been responsible for limiting banks' size by separating commercial and investment banking. The Gramm-Leach-Bliley Act allowed for the combination of commercial and investment banking and contributed in part to the rise of large and complex banking institutions (Hanc 2004). In other words, a series of legislative changes allowed banks to grow in size, serve larger geographic regions, and take on additional risks. At this same time, households' total debt-to-income ratio increased by 3–4 percentage points during the 1990s, and their amount of credit card debt increased by 53 percent (Draut and Silva 2003; Federal Reserve Bank of San Francisco 2009). Mortgage lending quadrupled, and delinquency and foreclosure rates remained low (5 percent and 1 percent, respectively; Aughinbaugh 2013).

In contrast to the macroeconomic growth of the 1990s, a substantial macroeconomic recession has characterized the latter years of the 2000s. Known as the Great Recession, it lasted from approximately 2007 to 2009 (Mishel et al. 2012). Economic growth slowed from an average of 4 percent in the 1990s to an average of 2 percent in the 2000s, with some quarters experiencing negative growth after 2007 (Hodge, Pomerleau, and Cole 2014). A continued low inflation rate that hovered around 3 percent was not enough to help the economic downturn, and the unemployment rate jumped from 4 percent to 10 percent between 2000 and 2010 (Bureau of Labor Statistics 2015). Workers' wages remained unchanged during the first half of the 2000s, yet their wages declined and they brought home less money in their paychecks in the second half of the 2000s (Mishel et al. 2012). Households' debt-to-income ratio continued to rise through 2007 until it fell off sharply in 2008 as credit markets retracted in response to the recession (Federal Reserve Bank of St. Louis 2015). Households' personal saving rates rebounded slightly, climbing from near zero percent at the beginning of the decade to a high of 8 percent in 2010 (Federal Reserve Bank of St. Louis 2015).

A deregulated banking industry (an artifact of 1990s legislation) that took on unadvisable risks by widely selling risky mortgages is largely blamed for the Great Recession (Mian and Sufi 2014). Many banking institutions made gambles in home mortgage loans and did not seek federal backing in their lending practices (Mian and Sufi 2014). Even though mortgage debt is secured and considered potentially more productive for promoting households' financial health, banking institutions did not require households to make down payments or to demonstrate their credit or employment histories prior to qualifying for mortgages over the course of the 1990s. Many mortgages also had variable interest rates, meaning that the initial interest

on the loan was low and increased over time (Mian and Sufi 2014). Thus, while the debt was secured, it was also risky. The total value of home mortgages more than doubled between 2000 and 2006, increasing from $4 billion to $9 billion (Dynan and Kohn 2007). Unfortunately, housing prices stalled, and many households discovered that their mortgages were worth more than the values of their homes (Mishel et al. 2012; Baker 2014). Banking institutions responded by contracting and making mortgage borrowing more difficult. As a result, the homeownership rate dropped from its peak of 69 percent in 2004 to 66 percent in 2010, and delinquencies and foreclosures rose (by 9 percent and 5 percent, respectively; Aughinbbaugh 2013; Joint Center for Housing Studies 2015). Given the limited availability of home mortgages, it is unsurprising that the percentage of households holding debt declined after peaking in 2008. At the same time, however, households headed by young adults actually accumulated more unsecured debt in the late 2000s than in the preceding 2 decades (Vornovytskyy, Gottschalck, and Smith 2011). The Great Recession completely shifted the financial footing of all households, especially those headed by young adults, and it undoubtedly altered the ways in which they used debt.

Some social scientists suggest that the Great Recession would not have been as wide or as deep if borrowers had been more financially educated about different types of mortgages or risky debt (Lusardi 2011; Lusardi, Schneider, and Tufano 2011; Klapper, Lusardi, and Panos 2012). Such suggestions have renewed conversations about the importance of teaching financial education and improving financial knowledge, particularly among young Americans. For instance, the President's Advisory Council on Financial Capability for Young Americans (2015) asserts a basic right to financial education and recommends mandating the teaching of financial education in public schools. In other words, just like reading and math were deemed critical skills taught in public schools at the turn of the twentieth century, the President's Advisory Council recognizes that being able to make healthy financial decisions and manage money are critical skills for the twenty-first century. But while financial education may help a young adult to create a budget or choose between credit card offers, for example, it cannot supplement a young adult's wages after he or she loses his or her job in a recession. Therefore, understanding the macroeconomic contexts of the 1990s and 2000s is critical to interpreting households' borrowing during these same decades. This is not meant to imply that financial education is unimportant, but to recognize that borrowers also need opportunities within the broader

macroeconomic context that support financial health. That is, financial education might be more useful in a stable or expanding economy with high productivity and growth, low unemployment, and a banking industry with appropriately managed risks than in an economy fraught with volatility.

YOUNG ADULTS' INDEBTEDNESS AND THE RELATIONSHIP BETWEEN SAVINGS AND DEBT

Access to a savings account is one opportunity that may support young adults' financial health. As we consider the association between holding a savings account and young adults' use of debt, we are really looking at two interrelated things: young adults' reliance on debt in general and the relationship between a savings account and debt use among households more generally.

An overview of debt trends among young adults reveals that most recent cohorts of young adults have relied on debt (Chiteji 2007; Hodson and Dwyer 2014; Houle 2014). From early baby boomers, who entered adulthood in the mid-1970s, to Generation Y, who entered adulthood in the mid-2000s, at least 75 percent of young adults have held some type of debt (Houle 2014). Interestingly, debt has also captured an increasing share of young-adult households' balance sheets over time. For example, the reported debt burden—the ratio of debt relative to assets—in young-adult households increased from about 2 percent to 23 percent between early baby boomers and Generation Y, and the percentage reporting negative net worth almost doubled (Houle 2014). Young adults' debt use appears to be increasing while their assets and net worth appear to be diminishing. And, unfortunately, the rise in debt usage has come at the expense of productive debt: the share of collateralized, productive debt has decreased over time relative to uncollateralized, unproductive debt (Houle 2014).

What does research reveal about the debt use of young adults? Minna Autio and colleagues (2009) examine the use of consumer credit by young adults, discovering that young adults in all income brackets and employment positions use consumer credit. However, they find direct links between certain life transitions (young single parent), financial positions (lower-income), employment situations (marginal), and the likelihood of taking out instant loans and consumer credit. Narrowing in on just credit card use by the young, Jill Norvilitis and colleagues (2006) find that a lack of financial knowledge, age, number of credit cards, the ability to delay gratification, and attitudes toward credit card use are all related to credit card indebtedness.

In addition to research exploring life transitions in credit use, a number of authors examine how financial education might affect the debt use of young adults. For example, Alexandra Brown and colleagues (2014) find state-mandated financial education in schools to be associated with slightly better credit scores and lower delinquency rates for young people who attended public school after the mandates were implemented. Moreover, a different study assessing the relationship of young adults' financial training on their debt outcomes in early adulthood finds a positive relationship between financial education and young adults' likelihood of accessing their credit reports (Brown et al. 2013). Alexandra Brown and colleagues (2013) suggest that accessing a credit card evidences both the ability and desire to manage one's financial life.

We turn now to the link between savings and the use of different types of debt, given that our study presumes a link between savings and debt use. That is, having a savings account may relate to a decreased likelihood that one will acquire unsecured, unproductive debt and an increased likelihood that one will acquire secured, productive debt. The importance of savings in keeping financially vulnerable households out of detrimental credit markets (as well as in promoting their financial health overall) is documented by a number of researchers. For example, Stephen Brobeck (2008) examines the association between emergency savings and the financial health of low- and moderate-income households. His research reveals that low- and moderate-income households with less than $500 in emergency savings were more than twice as likely as respondents with higher amounts of savings ($500 or more) to report financial difficulties such as making regular bill payments and using high-cost payday loans. Annamaria Lusardi, Daniel Schneider, and Peter Tufano (2011) examine households' capacity to come up with $2,000 in 30 days for an unexpected expense and discover that roughly 25 percent of Americans would not be able to come up with these funds. These authors also explore the means people used to deal with unexpected expenses, finding that savings appear to be most important, followed by reliance on family and friends and formal and alternative credit markets. Finally, Signe-Mary McKernan, Caroline Ratcliffe, and Katie Vinopal (2009) use 1996 and 2001 data from the Survey of Income and Program Participation (SIPP) to assess the potential for assets to promote households' financial health. In their study, households that experienced a job loss or lapse in work were significantly more likely to suffer financially, and households with little accumulated savings and assets experienced greater levels of

hardship. Overall, the literature suggests that those with savings may weather financial shocks more smoothly than those without, and it provides some evidence that possession of savings helps keep one out of high-cost, unproductive credit markets.

Our analysis is not just focused on the association between savings and households' reduced reliance on unsecured, unproductive debt but also on the possibility that possession of a savings account—a specific financial product—might be associated with increased access to secured, productive debt. Research shows that holding a savings account is associated with owning a diversity of financial products and accumulating savings (Friedline and Elliott 2013; Friedline and Song 2013; Friedline et al. 2014; Friedline and Rauktis 2014). Researchers find that owning and acquiring a savings account between the ages of 18 and 40 almost always coincides with or precedes the acquisition of financial products, including checking, stock, and retirement accounts (Friedline et al. 2014). Adolescents with a savings account at ages 15–19 accumulated medians of $1,000 in savings and $4,600 in total assets 5 years later, more than triple the savings and assets accumulated by their counterparts without a savings account (Friedline and Song 2013). In a study evaluating the effects of a policy within the United Kingdom that changed electronic transfer payments from optional to required, savings account ownership increased by 9–12 percentage points, and the estimated effect of account ownership was a 13 percentage point increase in having at least $109 saved (Fitzpatrick 2015). The amount of financial assets held across bank, bond, stock, and investment accounts also increased by 137 percent as a result of this policy change requiring savings account ownership.

THE FINANCIAL HIERARCHY OF A SAVINGS ACCOUNT AND DEBT

A savings account, as one of the first financial products acquired, may be associated with developing and maintaining a balance sheet that maximizes the accumulation of secured debt and minimizes the accumulation of unsecured debt (Friedline et al. 2014; Boshara, Emmons, and Noeth 2015). There is good rationale for why a healthy balance sheet may begin with a savings account. Jing J. Xiao and Geraldine Anderson (1997) draw on Abraham Maslow's (1948, 1954) human needs theory to show how the acquisition of financial products may ascend a hierarchy based on the needs the products are designed to meet. Human needs are assumed to be hierarchical, with the achievement of higher-level needs conditional on the achievement of

lower-level ones (Maslow 1948, 1954). These assumptions have been applied to the acquisition and use of financial products (Xiao and Olson 1993; Xiao and Noring 1994; Xiao and Anderson 1997). Here, lower-level needs are referred to as "survival" and higher-level needs are referred to as "growth" (Xiao and Anderson 1997), labels that also provide some indication of financial health. From this perspective, it makes sense that a savings account is one of the first financial products acquired because it is designed for the achievement of daily, lower-level needs.

While the financial hierarchy is not meant to explain why some young adults come to have savings accounts and others do not, it does help to explain how a savings account, once acquired, may relate to secured and unsecured debt. The use of unsecured, unproductive debt from carryover credit card balances or alternative credit markets may be similar in some ways to meeting daily lower-level needs rather than an investment in future gain. Productive secured debt, such as a home mortgage or a small business loan, is designed for long-term investments. Young adults may acquire savings accounts that facilitate their achievement of daily lower-level needs such as buying groceries or paying utility bills and that protect them from relying on unsecured, unproductive debt. At the same time, based on a hierarchically arranged financial portfolio, the ownership and acquisition of savings accounts may facilitate their transition to achieving long-term higher-level needs and making investments in productive secured debt.

METHOD

This article explores what predicts young-adult households' debt-holding and tests whether ownership and acquisition of a savings account is associated with increased access to productive debt and reduced reliance on unproductive debt.[2] Specifically, we examine whether young-adult households' ownership or acquisition of a savings account relates to the protection against the acquisition and accumulation of unsecured debt and to the acquisition and accumulation of secured debt. We do this using data from 1996 and 2008 to better understand the different relationships a savings

2. It should be noted for clarity that, based on the data that were available to us, we measure savings account ownership at the individual level (savings accounts owned by young-adult heads of households) and debt acquisition and accumulation at the household level (households headed by young adults).

account may have with debt during periods of macroeconomic stability and decline.

DATA

In order to analyze household debt among young-adult households over time, we needed a large sample that provided information at multiple and frequent time points. The Panel Study of Income Dynamics (PSID) and the Survey of Consumer Finances (SCF) are often used to explore questions about wealth, including assets and debts (Curtin, Juster, and Morgan 1989; Wolff 1999; Czajka, Jacobson, and Cody 2003). However, these surveys have small sample sizes and only measure data every other year at most (potentially missing sensitive changes that occur monthly or quarterly), and only one of them is a longitudinal panel study. We therefore use data from the 1996 and 2008 panels of the Survey of Income and Program Participation (SIPP), which were collected on a monthly basis over a period of 4 years and were made publicly available by the Census Bureau. We rely on data from 1996 and 2008 because the former were gathered during a period of economic prosperity (i.e., a time of wealth gains for many households and for the economy as a whole) and the latter were gathered during a period of economic decline (i.e., a time of wealth losses for many households and for the economy as a whole). Because of this, the 1996 and 2008 data provide insight into the balance sheets of households headed by young adults during periods of macroeconomic stability and instability when balance sheets might have appeared the most and least optimistic (Jorgenson, Ho, and Stiroh 2008).

Between December 1995 and February 2000, the 1996 SIPP drew a random sample of households grouped within geographic regions based on population counts from the most recent census (US Census Bureau 2012) and oversampled those with lower incomes (N = 380,609 individual respondents from 40,188 eligible households; n = 1,634,357 number of rows). The 2008 SIPP used similar procedures to draw a random sample between September 2008 and December 2013 (N = 421,911 individual respondents from 52,031 eligible households; n = 4,221,119 number of rows). Each household member over age 15 participated in data collection, which occurred once during every 4-month period. During each interview, respondents recalled their previous 4 months' experiences, resulting in 12 observations per year for a 48-month or 68-month period on many variables depending on the panel. This allowed for the construction of monthly and

quarterly histories of young adults' savings account acquisition for up to 48 or 68 months, which was ideal for addressing the research questions. We took information from the fourth month in the reference period, when respondents were interviewed in person and their recall was likely the most accurate. The 1996 and 2008 SIPP also collected annual information in topical modules, including topics such as health, education, child care, and household assets and debts. Annual information on household debt was collected in topical modules during waves 3, 6, 9, and 12 of the 1996 SIPP and during waves 4, 7, and 10 of the 2008 SIPP.

For the current research, we included in our sample heads of households between the ages of 18 and 40 who provided 2 years' worth of reference month and topical module information.[3] This means that a young-adult head of household who entered the sample at age 16 was included when he or she provided at least 2 years' worth of information, making the respondent age 18 at some time during the sampling frame. Likewise, 2 years' worth of information was retained for a young-adult head of household who entered the sample at age 40, making him or her age 42 at some time during the sampling frame. Restricting the sample in this way minimized the inclusion of young-adult heads of households who cycled in or out of the 1996 or 2008 SIPP within a shorter time and ensured more equal sample sizes across age groups. The age range of 18–40 was chosen for consistency with previous research and because households whose heads are age 40 and under accumulate assets and debts below national medians (Bricker et al. 2014; Boshara et al. 2015). Moreover, restricting by head of household status means that the young adults in our samples were not living with their parents or families of origin, which minimized confounding young adults' household debt with that of their parents' households. There were 43,455

3. We restricted our 1996 and 2008 SIPP samples to a 2-year time frame in order to minimize the influences of attrition on our analysis, even though each panel was conducted over a 4-year time frame. A true longitudinal design, for example, would have selected all young-adult heads of households who began the 2008 SIPP at wave 1 in 2008, retrieved the independent and control variables from wave 1, and retrieved household debt 2 years later from wave 7 in 2010. Instead, our design employed a cross-sectional logic by selecting young-adult heads of households based on their age and having provided at least 2 years' worth of data. This meant that the 2 years' worth of data provided by an individual respondent could have come at any time during the 4-year panel between 2008 and 2012. However, for each individual respondent, we temporally ordered the independent and control variables so that they were retrieved from waves that preceded the waves and/or topical modules from which information on their household debt was retrieved.

young-adult heads of households from the 1996 SIPP and 71,428 from the 2008 SIPP, making a sample of 114,883. All dollar values from the 1996 panel were inflated to 2008 US dollars using the Bureau of Labor Statistics' Consumer Price Index inflation calculator. This article reports all dollar values in 2008 US dollars.

SAMPLE

The sample characteristics are reported in table 1 for households whose young-adult heads did not have any debt (debt = $0) and for households whose young-adult heads did have debt (debt > $0). Young-adult heads of households had an average age of approximately 30. Small percentages of young adults were new heads of households (between 4 percent and 7 percent), meaning that they had become heads of households within the previous 2 years. Between one-third and one-half of young-adult heads (between 33 percent and 50 percent) had at least some college education, while smaller percentages had earned a college degree or more (between 7 percent and 16 percent). Median household quarterly earned income ranged between $1,947 and $4,393 (in 2008 US$), which translated to between $7,788 and $17,572 annually. Households with debt holdings also reported higher incomes.

The percentages of savings account ownership and acquisition are mostly consistent between 1996 and 2008, while the amounts of median household debt nearly doubled between these years (see table 2). In 1996, 46 percent of young-adult heads owned a savings account, and 4 percent acquired one during the course of the panel. In 2008, these percentages were, respectively, 40 percent and 4 percent. Among households that accumulated debt, the median total debt in 1996 was valued at $46,306 (in 2008 US$) compared to $82,001 median total debt in 2008. Median secured debt increased by $31,500—from $68,500 in 1996 to $100,000 in 2008. The median amount of unsecured debt was valued at $5,686 in 1996 and $10,000 in 2008, an amount that also nearly doubled.

Table 3 reports the percentages of households headed by young adults that held debt and the median amounts of debt based on their savings account ownership status. A majority of households appeared to accumulate all types of debt in 1996 and 2008, regardless of the status of savings account ownership: for most households, the median amounts of debt more than doubled. Among households whose young-adult heads owned a savings

account, roughly equal percentages accumulated secured debt in 1996 and 2008—78 percent and 76 percent, respectively. Among these households, median secured debt was valued at $93,434 in 1996 and $127,000 in 2008—an increase of $33,566, or 36 percent. Fewer household heads with a savings account accumulated unsecured debt in 2008 than in 1996: in 1996, 74 percent of household heads with savings accounts held unsecured debt, while in 2008, 68 percent held unsecured debt. These households' median unsecured debt was valued at $6,028 in 1996 and $11,000 in 2008—an increase of $4,972 or 82 percent of the 1996 median.

MEASURES

Our analysis examines young-adult households' total, secured, and unsecured debt as outcome variables. Young-adult heads of households' ownership of a savings account was included as the independent variable, with several sociodemographic variables included as controls.

Total Household Debt

Young-adult heads of households were asked a series of questions about their household debts, including debt from mortgages, businesses, real estate, vehicles, credit cards, unsecured loans, and outstanding bills. These amounts were available from topical modules in waves 3, 6, 9, and 12 of the 1996 SIPP and 4, 7, and 10 of the 2008 SIPP and were summed together by the SIPP in order to create measures of total household debt (THHDEBT).

Household Secured Debt

Young-adult heads of households were asked whether or not their households held different types of secured debt (mortgages, businesses, real estate, vehicles) and the amounts of those debts. The 1996 and 2008 SIPP summed or recoded these amounts into continuous measures of households' accumulated secured debt (THHSCDBT).

Household Unsecured Debt

Young-adult heads of households were asked whether or not their households held different types of unsecured debt (credit cards, unsecured loans, outstanding bills) and the amounts of those debts. The 1996 and 2008 SIPP summed or recoded these amounts into continuous measures of households' accumulated unsecured debt (RHHUSCBT).

TABLE 1. Sample Characteristics of Young-Adult Heads of Households, Ages 18–40, from the 1996 and 2008 SIPP (N = 114,883)

	Debt		Household Secured Debt		Household Unsecured Debt	
Covariates	**Debt = Total Household $0 ($n$ = 22,125)**	**Debt > $0 ($n$ = 92,758)**	**Debt = $0 ($n$ = 40,142)**	**Debt > $0 ($n$ = 74,741)**	**Debt = $0 ($n$ = 44,337)**	**Debt > $0 ($n$ = 70,546)**
Age	29.730 (6.541)	30.7 (6.466)	29.696 (6.405)	30.995 (6.494)	30.351 (6.639)	30.661 (6.396)
Sex (%):						
Male	46	52	47	53	49	52
Female	54	48	52	47	51	48
Race (%):						
White	69	82	73	84	76	83
Nonwhite	31	14	27	16	24	17
Marital status (%):						
Married	27	51	31	54	38	51
Not married	73	49	69	46	62	49
Family household type (%):						
Family	74	82	72	85	79	82
Nonfamily	26	18	28	15	21	18
New head of household (%):						
Yes	7	5	7	4	6	5
No	93	95	93	96	94	95
Education level (%):						
College degree or more	7	16	10	16	11	16
Some college	33	49	39	49	39	50
High school degree	37	27	33	27	33	27
Some high school or less	25	8	18	8	17	7

College enrollment status (%):						
Enrolled in college	17	19	19	18	13	14
Not enrolled in college	83	81	81	82	87	86
Employment status (%):						
Employed	61	79	67	81	69	80
Not employed	39	21	33	19	31	20
Household quarterly earned income (2008 US$)	1,947 (3,673)	4,393 (4,954)	2,278 (3,675)	4,845 (5,105)	3,000 (4,996)	4,376 (4,718)
Home ownership (%):						
Owned a home	19	63	19	74	46	60
Purchased a home	1	1	1	1	<1	1
Sold a home	1	1	2	<1	1	1
Ever owned a home	79	35	78	25	52	38
Geographic region (%):						
Metropolitan	79	80	80	80	79	81
Rural or suburban	21	20	20	20	21	19
North East	18	17	19	16	17	17
West	22	22	24	21	21	22
North Central	22	26	23	27	25	26
South	38	35	34	36	38	34

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP). The sample characteristics reported from this table are drawn from reference month data and topical module data ($N = 43{,}455$ individuals from the 1996 SIPP and $N = 71{,}428$ from the 2008 SIPP).

Note.—Sample characteristics are provided by whether or not households headed by young adults held debt. Debt = \$0 indicates that households did not report owning debt, whereas debt > \$0 indicates that households reported owning debt greater than \$0. Means are reported for age, and percentages are reported for categorical variables. Household quarterly earned income data is reported in median values. Household quarterly earned income is reported after inflating dollar values from 1996 to match dollar values from 2008 using the Bureau of Labor Statistics' Consumer Price Index inflation calculator. Young adults in the topical module data were limited to reference persons or heads of households because annual debt data were only available at the household level. This avoided, for example, having a young adult in the data who was age 18 and still living with his or her family of origin. In this case, the young adult met sampling criteria based on his or her age; however, the debt that would have been captured would have more accurately represented the parents' households' debt rather than the young adult's own household debt. Whether or not young adults became a new reference person or head of household within the sampling frame was measured as an indicator of their tenure as head of household. Standard deviations are presented in parentheses.

TABLE 2. Percentages of Savings Accounts and Debt Holdings and Medians of Accumulated Debt for Households Headed by Young Adults, Ages 18–40, between 1996 and 2008, in 2008 US Dollars

	1996 (n = 43,445)	2008 (n = 71,428)	1996 and 2008 (n = 114,883)
Percent with savings account:			
Savings account ownership	46	40	42
Savings account acquisition	4	4	5
Savings account closure	5	5	5
No savings account ownership	45	51	49
Percent with household debt:			
Total household debt	82	80	81
Secured household debt	65	65	65
Unsecured household debt	65	59	61
	Median Accumulated Value of Household Debt (for Households with Debt > $0)		
Total household debt	46,306 (91,731)	82,001 (136,883)	67,404 (123,367)
Secured household debt	68,500 (90,756)	100,000 ($130,721)	88,000 (118,968)
Unsecured household debt	5,686 (16,769)	10,000 (31,344)	8,000 (26,983)

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP). The characteristics reported from this table were drawn from the topical module samples (N = 43,455 individuals from the 1996 SIPP and N = 71,428 from the 2008 SIPP).

Note.—Percentages are reported for categorical variables, and medians and standard deviations are reported for continuous variables. Standard deviations are presented in parentheses. Percentages for savings account are presented for young adults who ever reported owning these account types during the course of the panel using lagged quarterly-level information. Accumulated values of household debt are presented for young adults based on annual-level information. The accumulated median values are reported after inflating dollar values from 1996 to match dollar values from 2008 using the Bureau of Labor Statistics' Consumer Price Index inflation calculator and winsorizing the debt values at 99%. Debt > $0 indicates the median values of debt excluding households that had debt of $0 and including only households who reported owning debt > $0. In other words, the medians are calculated only for households that reported having debt.

All debt variables were winsorized at the 99th percentile to censor extreme values and transformed using the natural log transformation (Cox 2006). The inverse hyperbolic sine (IHS) transformation was also considered for dealing with skewness in the debt variables' distributions (Pence 2006; Friedline, Masa, and Chowa 2015). However, the natural log transformation was ultimately chosen because it has been found to perform just as well as the IHS transformation when distributions do not cross zero and its interpretation is less complicated (Pence 2006). Debt variables' $0 values—for the purposes of this article indicating that households did not use debt—were adjusted to $1 before the log transformation.[4]

4. This is because the natural log transformation cannot be applied to zeros; therefore, the amount of debt was adjusted to $1 in order to calculate the natural log transformation.

TABLE 3. Row Percentages and Accumulated Median Values of Total, Secured, and Unsecured Household Debt (> $0) by Savings Account among Young-Adult Heads of Households, Ages 18–40, between 1996 and 2008, in 2008 US Dollars (N = 114,883)

	Total Household Debt		Secured Household Debt		Unsecured Household Debt	
	1996	2008	1996	2008	1996	2008
Percent with household debt by savings account:						
Savings account ownership	92	89	78	76	74	68
Savings account acquisition	87	85	67	67	73	66
Savings account closure	87	84	68	67	70	64
No savings account ownership	71	72	52	56	55	51
Median accumulated value of household debt by savings account ($):						
Savings account ownership	80,031	115,000	93,434	127,000	6,028	11,000
Savings account acquisition	33,428	79,800	45,210	97,000	6,542	10,000
Savings account closure	35,072	79,500	54,800	97,381	5,754	11,000
No savings account ownership	23,290	53,000	30,140	78,000	5,480	9,000

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP). The row percentages and median debt values reported in this table were drawn from the topical module samples (N = 43,455 individuals from the 1996 SIPP and N = 71,428 from the 2008 SIPP).

Note.—The accumulated median values are reported for households with debt > $0 after inflating dollar values from 1996 to match dollar values from 2008 using the Bureau of Labor Statistics' Consumer Price Index inflation calculator and winsorizing the debt values at 99%.

Savings Account

In order to model the ownership and acquisition of a savings account during the course of the panel, young-adult heads of households' account ownership was tracked to determine whether or not, and when, they acquired a savings account (EAST2B). This tracking used quarterly histories and occurred retrospectively over 1 previous calendar year, prior to the measurement of household debt. In this way, a savings account and any change in its ownership was temporally ordered to precede the measurement of household debt. For instance, a young adult who originally said they did not own a savings account during one quarter and then said they did during the next quarter was considered to have acquired a savings account. A young adult who reported having a savings account during two consecutive quarters was considered to have owned an account. Thus, this independent variable measured young adults' "no-to-yes" change in account. A similar process was undertaken for those who consistently reported owning a savings account, closing their account, or never acquiring a savings account (savings account ownership "yes-yes" = 3; savings account acquisition "no-to-yes" = 2; savings account closure "yes-to-no" = 1; no savings account ownership "no-no" = 0).

Control Variables

Twelve variables were included as controls in the analyses, including a dummy panel year (1996; 2008), age, gender (female, male), race (white, nonwhite), marital status (married, not married), family household type (family, nonfamily), new head of household (new head of household, not a new head of household), education level (college degree or more, some college, high school degree, partial high school, primary school), employment status (employed, not employed), quarterly earned income, and geographic region ([metropolitan, rural, or suburban] and [South, North Central, West, Northeast]).

Given that home ownership is likely a driver of and endogenous to young-adult households' debt accumulation, we wanted to measure home ownership in a way that captured whether or not, and when, young-adult households acquired a home. In order to do this, we used quarterly histories to track home ownership retrospectively over 1 previous calendar year. In other words, a young-adult head of household who said he or she did not own a home during one quarter and then said they did during the next quarter was considered to have purchased a home. A young-adult head of household who said he or she owned a home and then did not was considered to have sold the home (owned a home "yes-yes" = 3; purchased a home "no-yes" = 2; sold a home "yes-no" = 1; and never owned a home "no-no" = 0 [reference]). This measure captures dynamic changes in home ownership and their association with young-adult households' debt. Descriptions of all control variables are available in the appendix.

ANALYSIS

Data were analyzed using John Cragg's double-hurdle models.[5] Cragg's (1971) double-hurdle models were estimated in Stata to examine acquisition and accumulation of total, secured, and unsecured debt (Burke 2009; StataCorp 2011). A double-hurdle approach was ideal for analyzing our data because it assumes that a household's debt acquisition is separate from the amount of debt accumulated (Cragg 1971; Yen and Jones 1997; Ricker-Gilbert, Jayne, and Chirwa 2011). This assumption is similar to a two-step James Heckman (1979) selection model. Heckman's model is designed to analyze data in which zeroes were unobserved or missing and to estimate

5. The authors would like to thank Paul Johnson for recommending double-hurdle models for our analyses.

the zeroes as potential observations (Dow and Norton 2003). In other words, Heckman's model treats zero values as stemming from a latent function and differing systematically from observed values. In his original analysis, Heckman (1979) considers that the wages of women working in the labor market—a select group of women and a subset of the population—could not adequately represent the wages of women who did not work in the labor market and whose wages were not observed. He finds that doing so would introduce bias into the estimates and instead proposed separate equations adjusting for selection into the labor market and predicting women's wages.

Cragg's (1971) double-hurdle model is designed to consider zeros as actual true observations (Dow and Norton 2003). This model considers zeroes and nonzeroes to represent two separate and potentially uncorrelated components: whether or not households used debt and how much debt they used. Moreover, Cragg's (1971) model relaxes concerns about selection bias in comparison to Heckman's (1979) model because it considers the zeroes to be true observations. This also means that Cragg's (1971) double-hurdle model does not adjust for unobserved differences between young-adult heads of households, in contrast to Heckman's (1979) two-step model. In the case of debt, an observed value of $0 could represent households' choices or preferences to avoid debt. An observed value of $0 could also represent households' inability to access debt despite their preferences to do so, such as being blocked from securing a loan due to discrimination, past employment, or credit history. Unfortunately, the data did not allow us to draw definitive conclusions about why households' debt equaled $0. However, once households acquired debt, that acquisition may not have been related to the amount of debt they accumulated. In other words, the extent to which households were leveraged may have varied even among those that used debt and may have been unrelated to their preference to avoid or their inability to access debt. Therefore, results are reported as the probability of acquiring household debt (hurdle 1; debt > $0 compared to debt = $0) and the value of accumulated household debt (hurdle 2; accumulating debt > $0).

RESULTS

The presentation of the results is ordered by households' total, secured, and unsecured debt. Within each type of debt, households' probability of

acquiring debt (hurdle 1; debt > $0 compared to debt = $0) and the value of accumulated debt (hurdle 2; accumulating debt > $0) are reported separately. The association between a savings account and debt is also reported as a subsection within each type of debt. It is important to note that the results presented below are for the combined 1996 and 2008 sample of young-adult-headed households (tables 4, 6, and 7); however, we also discuss the analyses that separate out the samples by panel year in order to investigate the associations between a savings account and household debt in stable (1996) and strained (2008) economic times (table 5).

TOTAL HOUSEHOLD DEBT

Eighty-one percent of young-adult households accumulated total debt (debt > $0; see table 2), with some of these households being more likely than others to acquire this debt (see table 4, hurdle 1). The probability of acquiring total household debt was associated with an increase when young-adult heads were white; earned higher levels of education; earned increasingly higher incomes; owned, purchased, or sold a home; and lived in geographic regions outside the northeastern United States. The association with a decreased probability of acquiring household debt occurred when young-adult heads were older, were married, were new heads of households, and lived in a metropolitan region. They were also less likely to acquire debt in 2008 compared to 1996.

Many of the variables associated with the acquisition of total household debt also related to the value of that debt (see table 4, hurdle 2).[6] Households' accumulation of more total debt was associated with young-adult heads who were white; lived in a family-related household; earned higher

6. The changes in household debt throughout the presentation of the results can also be interpreted as percent changes for every unit increase in the control variables and compared using median debt values. For example, the median value of accumulated total household debt > $0 among young-adult heads averaged between 1996 and 2008 was $67,404 (table 2). A college degree or more was associated with an 85 percent increase in the value of accumulated total household debt, and $57,293 is roughly an 85 percent increase in the medial value of $67,404. Therefore, the accumulated total household debt rose to $124,697 for young adults who held a college degree or more compared to those who had some high school education or less. Throughout the article and unless otherwise specified, the dollar interpretations for total, secured, and unsecured debt are based on the median values for debt > $0 in 1996 and 2008 combined and reported in table 2.

TABLE 4. Cragg's Double-Hurdle Models Predicting Total Household Debt (Log Transformed) among Young-Adult-Headed Households from the 1996 and 2008 SIPP

	Model 1			
	Hurdle 1		Hurdle 2	
	Probability of Acquiring Total Household Debt (N = 114,883)		Value of Accumulated Total Household Debt (N = 92,758)	
	β	SE	β	SE
2008 SIPP	−.219***	.017	.232***	.016
Age	−.010***	.001	−.001	.001
Female	−.006	.011	−.028**	.010
White	.167***	.017	.088***	.019
Married	−.360***	.017	−.344***	.017
Family household	−.029	.019	.077***	.021
New head of household	−.059**	.021	−.076**	.024
College degree or more	.605***	.029	.852***	.030
Some college	.577***	.021	.529***	.027
High school degree	.310***	.019	.270***	.027
Enrolled in college	.112***	.017	.128***	.016
Employed	.263***	.014	.090***	.015
Household quarterly earned income/1,000	.046***	.004	.056***	.002
Owned a home	.925***	.017	1.989***	.017
Purchased a home	1.000***	.049	2.048***	.030
Sold a home	.118***	.031	.163***	.037
Metropolitan region	−.045**	.015	−.195***	.017
West geographic region	.141***	.023	.133***	.023
North Central geographic region	.172***	.023	−.031	.028
South geographic region	.073**	.021	−.118	.021
Savings account (reference: no account ownership):				
Savings account ownership	.322***	.023	.158***	.014
Savings account acquisition	.305***	.044	.094***	.023
Savings account closure	.264***	.043	.116***	.023
R^2	.172			
Model constant	.227**	.068	8.943***	.073
Sigma constant	1.352***	.009	1.352***	.009

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP), accounting for individual-level clustering.

Note.—There were 22,125 households with young-adult heads that did not accumulate any debt and 92,758 that accumulated debt greater than $0. β = regression coefficient; SE = robust standard error.

** $p < .01$.

*** $p < .001$.

levels of education; earned increasingly higher incomes; owned, purchased, or sold a home; and lived in the western United States when compared to their counterparts. They also accumulated significantly more debt in 2008 than in 1996. Being a young-adult household in 2008 (as opposed to 1996) was associated with a 23 percent increase in the value of accumulated total household debt, or an increase of approximately $15,503 at the median (see

table 2). There were associations with accumulating significantly less debt when households' young-adult heads were female, were married, were a new household head, or lived in a metropolitan region as compared to their counterparts. While there were no differences in the probability of acquiring debt based on gender or family household type, differences emerged when predicting how much debt young-adult households accumulated. Households headed by young-adult females accumulated significantly less debt, and family-related households accumulated significantly more debt. Significantly greater debt accumulation was associated with being in the 2008 panel year than in 1996.

Compared to no savings account ownership, any type of young-adult heads' savings account ownership, acquisition, or closure during the course of the panels was associated with the increased probability of acquiring household debt (see table 4, hurdle 1). This suggests that any interface with a savings account may have been associated with providing these households with access to credit. These relationships remained the same with regard to the value of accumulated total household debt (see table 4, hurdle 2). However, the coefficients for savings account ownership with total debt acquisition and accumulation were slightly larger, suggesting that owning a savings account compared to acquiring or closing one was more strongly associated with these households' total debt. Compared to no account ownership, owning a savings account was associated with a 16 percent increase in the value of accumulated total debt for households headed by employed young adults, or an increase of $10,785 based on the median value of $67,404. Acquiring a savings account was associated with a 9 percent increase or an increase of $6,066 based on the median.

There are some differences regarding the relationship between a savings account and total debt accumulation that emerged from the supplemental analyses undertaken within each panel year (see table 5). The relationship between savings account acquisition and total accumulated debt was not statistically significant in 1996; however, the relationship was significant in 2008 (models 4 and 7, hurdle 2). In other words, account take-up—even if the account had been opened for a short amount of time—was associated with households' debt accumulation in 2008 but not in 1996. In addition, the coefficient for the relationship between savings account ownership and total debt accumulation was slightly larger in 2008, suggesting a stronger relationship with households' debt than in 1996. For instance, owning a savings account was associated with a 10 percent increase in the value of

TABLE 5. Cragg's Double-Hurdle Models Predicting Total, Secured, and Unsecured Household Debt (Log Transformed) among Young-Adult-Headed Households, Results for Savings Account by 1996 and 2008 SIPP

	Model 4		Model 5		Model 6	
	Hurdle 1	Hurdle 2	Hurdle 1	Hurdle 2	Hurdle 1	Hurdle 2
1996 SIPP	Probability of Acquiring Total Household Debt (β) (N = 43,455)	Value of Accumulated Total Household Debt (β) (N = 35,654)	Probability of Acquiring Secured Household Debt (β) (N = 43,455)	Value of Accumulated Secured Household Debt (β) (N = 28,444)	Probability of Acquiring Unsecured Household Debt (β) (N = 43,455)	Value of Accumulated Unsecured Household Debt (β) (N = 28,243)
Savings account (reference: no account ownership):						
Savings account ownership	.296***	.104***	.236***	.150***	.211***	−.136***
	(.023)	(.019)	(.021)	(.018)	(.018)	(.024)
Savings account acquisition	.318***	.040	.160***	.037	.295***	−.028
	(.044)	(.037)	(.037)	(.035)	(.034)	(.044)
Savings account closure	.321***	.098**	.216***	.106**	.240***	−.015
	(.043)	(.033)	(.036)	(.034)	(.033)	(.041)

	Model 7		Model 8		Model 9	
	Hurdle 1	Hurdle 2	Hurdle 1	Hurdle 2	Hurdle 1	Hurdle 2
2008 SIPP	Probability of Acquiring Total Household Debt (β) (N = 28,243)	Value of Accumulated Total Household Debt (β) (N = 57,116)	Probability of Acquiring Secured Household Debt (β) (N = 71,428)	Value of Accumulated Secured Household Debt (β) (N = 46,300)	Probability of Acquiring Unsecured Household Debt (β) (N = 71,428)	Value of Accumulated Unsecured Household Debt (β) (N = 42,324)
Savings account (reference: no account ownership):						
Savings account ownership	.324***	.183***	.251***	.171***	.251***	.017
	(.020)	(.019)	(.019)	(.018)	(.016)	(.025)
Savings account acquisition	.292***	.120***	.159***	.118***	.284***	.025
	(.031)	(.029)	(.028)	(.028)	(.024)	(.038)
Savings account closure	.234***	.129***	.155***	.076*	.222**	.123**
	(.032)	(.030)	(.029)	(.029)	(.025)	(.040)

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP), accounting for individual-level clustering.

Note.—All control variables were included in the complete models; however, to conserve space, only results for the savings account variable are reported. β = regression coefficient; Robust standard errors are presented in parentheses.

* $p < .05$.

** $p < .01$.

*** $p < .001$.

accumulated total debt for households headed by young adults in 1996, compared to an 18 percent increase in 2008.

SECURED HOUSEHOLD DEBT

Sixty-five percent of young-adult households accumulated secured debt (debt > $0; see table 2), but some households were more likely than others to acquire this debt (see table 6, hurdle 1). An increased probability of acquiring secured household debt was associated with young-adult heads who were white; earned higher levels of education; earned increasingly higher incomes; owned, purchased, or sold a home; or lived in geographic regions outside the northeastern United States, as compared to their counterparts. A decreased probability of acquiring household debt was associated with young-adult heads who were older, were married, lived in a family-related household, and lived in a metropolitan region. These heads were also less likely to acquire debt in 2008 compared to 1996.

Accumulating significantly more secured debt was associated with young-adult heads who lived in a family-related household; earned higher levels of education; earned increasingly higher incomes; owned, purchased, or sold a home; and lived in the western United States when compared to their counterparts (see table 6, hurdle 2). These heads also appeared to accumulate significantly more debt in 2008 compared to 1996. Households' significantly lower debt accumulation was associated with their young-adult heads who were married, were new heads of household, were enrolled in college, lived in a metropolitan region, and lived in the northern and southern United States as compared to their counterparts. While young-adult heads' panel year (being from 2008 compared to 1996) was associated with their households' decreased probabilities of acquiring secured debt, panel year was associated with significantly greater accumulated secured debt.

All types of savings account ownership, acquisition, or closure during the course of the panels were associated with the increased probability of young adults acquiring secured household debt compared to no account ownership (see table 6, hurdle 1). These relationships were consistent with regard to households' accumulated secured debt (see table 6, hurdle 2). The coefficients for owning a savings account with secured debt acquisition and accumulation were slightly larger than those for either acquiring or closing a savings account. Compared to no account ownership, owning a savings account was associated with a 16 percent increase and opening an account

TABLE 6. Cragg's Double-Hurdle Models Predicting Household Secured Debt (Log Transformed) among Young-Adult-Headed Households from the 1996 and 2008 SIPP

	Model 2			
	Hurdle 1		Hurdle 2	
	Probability of Acquiring Household Secured Debt (N = 114,883)		Value of Accumulated Household Secured Debt (n = 74,741)	
	β	SE	β	SE
2008 SIPP	−.197***	.016	.156***	.015
Age	−.008***	.001	.001	.001
Female	−.006	.010	−.014	.009
White	.140***	.016	.030	.018
Married	−.320***	.016	−.275***	.016
Family household	−.046*	.018	.080***	.020
New head of household	−.008	.021	−.064**	.024
College degree or more	.332***	.027	.551***	.029
Some college	.376***	.021	.324***	.027
High school degree	.222***	.020	.159***	.026
Enrolled in college	−.020	.015	−.078***	.015
Employed	.258***	.013	.027	.014
Household quarterly earned income/1,000	.052***	.003	.048***	.002
Owned a home	1.348***	.015	2.232***	.016
Purchased a home	1.367***	.039	2.268***	.028
Sold a home	.097**	.030	.279***	.042
Metropolitan region	−.064*	.015	−.364***	.039
West geographic region	.144***	.021	.178***	.022
North Central geographic region	.199***	.022	−.134***	.020
South geographic region	.160***	.020	−.155***	.020
Savings account (reference: no account ownership):				
Savings account ownership	.252***	.014	.163***	.013
Savings account acquisition	.163***	.022	.091***	.022
Savings account closure	.176***	.023	.083***	.022
R^2	.200			
Model constant	−.564***	.066	9.025***	.105
Sigma constant	1.167***	.011	1.167***	.011

Source.—Data are from the 1996 and 2008 Survey of Income and Program Participation (SIPP), accounting for individual-level clustering.

Note.—There were 40,142 households with young-adult heads that did not accumulate any secured debt and 74,741 that accumulated secured greater than \$0. β = regression coefficient; SE = robust standard error.

* $p < .05$.

** $p < .01$.

*** $p < .001$.

was associated with a 9 percent increase in the values of accumulated secured debt for households headed by young adults, respective increases of $14,080 and $7,920 based on the median value of $88,000 (see table 2).

Supplemental analyses within each panel year revealed some differences (see table 5, models 5 and 8). As with total household debt, the acquisition of

a savings account compared to not owning an account was not associated with secured debt accumulation in 1996 (see model 5, hurdle 2). In other words, opening a savings account—and perhaps owning it for a short time—was not enough to help young-adult households accumulate secured debt in 1996. However, in 2008, savings account acquisition was associated with their secured debt accumulation (see model 8, hurdle 2). In 2008, savings account acquisition was associated with a 12 percent increase in the value of accumulated secured debt for households headed by young adults, or $15,240 based on the median of $127,000 (see table 3).

UNSECURED HOUSEHOLD DEBT

Sixty-one percent of young-adult households in the combined 1996 and 2008 panels accumulated unsecured debt (debt > $0; see table 2), and some households were more likely than others to acquire this type of debt (see table 7, hurdle 1). The probability of acquiring unsecured household debt was associated with an increase when young-adult heads were white; earned higher levels of education; earned increasingly higher incomes; and owned, purchased, or sold a home when compared to their counterparts. The probability of acquiring unsecured debt was associated with a significant decrease as young-adult heads were older, were married, lived in family-related households, were new heads of households, and lived in the southern region of the United States. They were also less likely to use unsecured debt in 2008 compared to 1996.

Households' significantly greater unsecured debt accumulation was associated with their young-adult heads who were white, lived in a family-related household, earned higher levels of education, earned increasingly higher incomes, and purchased a home when compared to their counterparts (see table 7, hurdle 2). They also accumulated significantly more unsecured debt in 2008 compared to 1996. Households accumulated significantly less unsecured debt when their young-adult heads were older, were female, were married, were new heads of households, lived in a metropolitan region, and lived in the western and southern regions of the United States as compared to their counterparts. While young-adult heads' panel year (being from 2008 compared to 1996) was associated with their households' decreased probabilities of acquiring unsecured debt, their panel year was associated with significantly greater accumulated unsecured debt.

TABLE 7. Cragg's Double-Hurdle Models Predicting Household Unsecured Debt (Log Transformed) among Young-Adult-Headed Households from the 1996 and 2008 SIPP

	Model 3			
	Hurdle 1		Hurdle 2	
	Probability of Acquiring Unsecured Household Debt (N = 114,883)		Value of Accumulated Unsecured Household Debt (n = 40,546)	
	β	SE	β	SE
2008 SIPP	−.198***	.013	.477***	.020
Age	−.011***	.001	−.008***	.001
Female	−.005	.009	−.026*	.013
White	.133***	.015	.070**	.024
Married	−.236***	.014	−.139***	.021
Family household	−.047**	.016	.031*	.027
New head of household	−.121***	.019	−.064*	.031
College degree or more	.458***	.024	.861***	.037
Some college	.526***	.018	.526***	.031
High school degree	.317***	.018	.266***	.031
Enrolled in college	.162***	.014	.215***	.020
Employed	.211***	.011	.090***	.019
Household quarterly earned income/1,000	.011***	.002	.033***	.002
Owned a home	.185***	.013	.022	.020
Purchased a home	.234***	.028	.088*	.043
Sold a home	.089**	.028	.008	.045
Metropolitan region	−.002	.013	−.058**	.019
West geographic region	.032	.019	−.091**	.028
North Central geographic region	.020	.019	−.013	.028
South geographic region	−.057**	.018	−.127***	.026
Savings account (reference: no account ownership):				
Savings account ownership	.235***	.012	−.047**	.018
Savings account acquisition	.288***	.020	.002	.029
Savings account closure	.228***	.020	.068*	.030
R^2	.059			
Model constant	.149*	.058	8.276***	.091
Sigma constant	1.577***	.007	1.577***	.007

Source.—Data from the 1996 and 2008 Survey of Income and Program Participation (SIPP), accounting for individual-level clustering.

Note.—There were 44,337 households with young adult heads that did not accumulate any unsecured debt and 70,546 that accumulated unsecured greater than \$0. β = regression coefficient; SE = robust standard error.

* $p < .05$.

** $p < .01$.

*** $p < .001$.

Households' heads who were young adults in 2008 accumulated 48 percent more unsecured debt compared to those heads from 1996, or an associated increase of \$3,840 based on the median value of accumulated unsecured debt of \$8,000 as reported in table 2.

All types of young-adult heads' savings account ownership, acquisition, or closure during the course of the panels were associated with the increased probability of acquiring unsecured debt compared to no account ownership (see table 7, hurdle 1). These relationships differed with regard to the amount of unsecured debt that households accumulated (see table 7, hurdle 2). Owning a savings account compared to not having owned one was negatively associated with households' unsecured debt accumulation. However, closing a savings account—perhaps becoming unbanked or losing a connection to the financial mainstream—was positively related to households' unsecured debt accumulation. In fact, closing a savings account was associated with a 7 percent increase in households' unsecured debt, or an increase of $560 based on the median of $8,000 as reported in table 2.

When the analyses were further broken down by panel year (see table 5), in 1996, owning a savings account was associated with accumulating less unsecured debt. In 2008, closing a savings account was associated with accumulating more unsecured debt. In other words, owning a savings account was associated with protecting young-adult-headed households from accumulating unsecured debt in 1996, while in 2008 closing a savings account seemed to be associated with households increased likelihood of accumulating this type of debt. For young adults in 2008, closing an account was associated with a 12 percent increase in the value of accumulated unsecured debt (a $1,320 increase based on the median of $11,000 as reported in table 3).

DISCUSSION

This article explores the associations between a savings account and young-adult households' total, secured, and unsecured debt. In particular, we wanted to look at the association between a savings account and household debt during periods of macroeconomic stability and decline. We anticipated that a savings account could have different relationships with household debt during the economic stability and growth of the late 1990s and the economic decline of the late 2000s. Our expectation was that households without a savings account would be more likely to acquire and accumulate unsecured debt than households with a savings account and that this association would be more pronounced during difficult economic times. We also anticipated that a savings account might be positively associated with

the use of secured debt and that this association would also be more pronounced during difficult economic times. We find evidence for these associations as expected. Taken together, our findings suggest that a savings account may be associated with providing young-adult households with access to secured and unsecured debt in both economic contexts, while simultaneously protecting them on average from accumulating the type of debt that posed a greater risk to their balance sheets. These latter relationships were more pronounced for young-adult-headed households during the Great Recession. Beyond a savings account, socioeconomic position still mattered given the associations between young-adult householders' education level, employment status, and earned income and their households' debt.

We also recognize that the associations between a savings account and debt may be driven in part by unobserved differences between young-adult heads of households with and without a savings account. In other words, the associations may be driven by young adults' selection into owning a savings account, not necessarily the savings account itself. It remains an empirical question as to whether opening a savings account for a young adult who does not already have one will produce the same effects on their household's debt acquisition and accumulation as those described in this article. Given that our analyses do not account for these unobserved differences, the findings and their implications should be considered with care.

Our first key finding provides support for our hypothesis that owning a savings account may have different relationships with accumulating household debt during the two time periods investigated. In particular, owning a savings account may be associated with protecting households from accumulating unsecured debt during a period of economic instability, which may be more costly to—and thus riskier for—the health of their balance sheets. Owning a savings account in 1996 was associated with a 14 percent decrease in the value of households' accumulated unsecured debt, or about $844.[7] This amount is almost twice the average payday or cash advance loan of $500 (Consumer Financial Protection Bureau, 2014) and, while this amount might seem small, it can add up quickly. The average 2-week payday loan has an annualized interest rate ranging between 300 percent and 500 percent

7. The values of $844 and $1,320 that are reported in this paragraph were calculated using the median debt values reported in table 3.

(Center for Responsible Lending 2013), and $844 could end up costing the household without a savings account $4,220 in repayment plus interest[8]—an amount that the household with a savings account would not have to pay. Furthermore, closing a savings account and potentially losing one's connection to the financial mainstream in 2008 was associated with accumulating 12 percent more unsecured, unproductive debt, or $1,320, during the Great Recession of late 2000s.

Our second key finding is that a savings account was associated with households' acquisition and accumulation of secured productive debt—a relationship that emerged in both periods of macroeconomic stability and decline. This suggests that a savings account may provide households with a gateway to productive debt. Specifically, any ownership, acquisition, or closure of a savings account was associated with a households' greater likelihood of acquiring secured debt. However, with regard to accumulating this type of debt, owning and acquiring a savings account had the strongest relationships with secured productive debt in the late 2000s, when households may have struggled to take on new debt as credit markets contracted. For example, the difference in median values of secured debt in 2008 between young adults who owned a savings account and those who did not own a savings account was $49,000.[9] There was a difference of $19,000 between young adults who acquired and did not own a savings account in 2008. In contexts like the Great Recession, then, when borrowing becomes more difficult, a savings account may be associated with a borrower's connection to lending markets and may help them to demonstrate a their creditworthiness. Thus, a savings account may have helped young-adult households invest in their debt by entering and accumulating debt in better, healthier credit markets.[10]

Our third key finding is that households accumulated significantly more debt of all types between 1996 and 2008, even though there were few descriptive differences in the percentages of young-adult-headed households that used debt during these years. For example, 65 percent of households accumulated secured debt in 1996 and in 2008, although being a household

8. This assumes a 500 percent annualized interest rate and the original loan amount rolled over for a 12-month period.

9. The median amounts of secured debt reported in this paragraph were calculated using the median debt values reported in table 3.

10. The authors thank Benjamin Friedline for his description of "invest in their debt."

in 2008 was associated with a decreased probability of acquiring this debt, compared to households in 1996. However, young-adult-headed households accumulated significantly more debt in 2008 than in 1996, with accumulated median values of total, secured, and unsecured debt nearly doubling between these years. The 2008 panel was associated with households' accumulation of 23 percent more total debt, 16 percent more secured debt, and 48 percent more unsecured debt, when compared to the 1996 panel. In many ways, greater debt accumulation in 2008 confirms the lending and borrowing histories represented by these distinct macroeconomic periods. Households' debt holdings increased through approximately 2007 or 2008 at the start of the Great Recession, which mirrors the time frame from which our data were drawn (Mishel et al. 2012; Mian and Sufi 2014).

Finally, and clearly, socioeconomic position in the economy may still make a difference when it comes to households' acquisition and accumulation of debt, even while taking savings account ownership into consideration. Indicators of socioeconomic status like young-adult heads of households' education level, employment status, and earned income were related to whether or not their households used debt and the amount of debt they accumulated. For example, the strengths of the associations were similar between all levels of education and young-adult households' use of secured debt; however, households accumulated significantly more secured debt when their young-adult heads were more educated. Having a high school degree was associated with households' accumulation of 16 percent more secured debt compared to having lower levels of education. In contrast, having a 4-year college degree or higher was associated with accumulating 55 percent more secured debt. These percentages represent associated increases of $14,080 and $48,400 in secured debt, respectively. Young-adult households' access to secured debt was also associated with being employed; however, employment status had no bearing on the amount of debt accumulated by these households. Taken together, households may have greater access to and accumulate debt of all types when their heads are more highly educated, are employed, and earn higher incomes.

LIMITATIONS

These findings should be considered in light of several limitations. First, the cross-sectional relationships that were tested in this study were limited to those available from the 1996 and 2008 SIPP. Many contextual factors with

potential relevance to young adults' household debt were not incorporated into the analyses, such as young-adult heads' financial education, their family history of financial socialization, the availability of banks within a community, or the banking mergers and closures that took place during the late 1980s, early 1990s, and late 2000s that preceded or followed the 1996 and 2008 SIPP data collection (FDIC 1997; Serido et al. 2010). While this research cannot rule out the relationships between these contextual factors with young adults' household debt, controlling for employment, education level, and household income provides some context. Second, our analyses do not account for a young adult's selection into owning a savings account. Previous research finds correlations between savings account ownership and households' income, assets, and debt (Friedline et al. 2014; Grinstein-Weiss, Oliphant et al. 2015). For example, increases in household income are associated with the likelihoods of owning a savings account or qualifying for a type of secured debt like a home mortgage (Haurin, Hendershott, and Wachter 1996; Friedline et al. 2014). Young-adult households' acquisition and accumulation of debt may also be conditional on their past debt (Johnson and Li 2010). While our analyses are unable to distinguish between these effects, previous experimental research that attempts to distinguish these effects finds that a savings account relates to increased asset accumulation over and above household income (Nam, Kim et al. 2013). Third, the 1996 and 2008 SIPP data have some complexities, including the oversampling of lower-income young adults, which resulted in less frequent ownership of a savings account and potentially less accumulated debt compared to other surveys (Czajka et al. 2003). In addition, imprecise reporting of retrospective monthly or quarterly information may have resulted in excessive transitions between reference periods (also known as "seam bias"; Moore et al. 2009). While this research focuses on the household debt of all young adults, those from lower-income backgrounds are arguably at greater risk for indebtedness and, thus, are an important subgroup of interest, which mitigates concerns about the 1996 and 2008 SIPP's oversampling. The concern about excessive transitions between reference periods—an artifact of SIPP survey design—has been moderated by using information from the fourth and last reference month of the quarter, a recommendation made by previous research (Ham, Li, and Shore-Sheppard 2009; Moore et al. 2009). This means we used information from 12 quarters across the 4-year panel (the last reference month in the quarter), as opposed to all 48 months. In other words, young adults appeared to more precisely

report life events like the month that they were married, but their recollection at the monthly level was fuzzier about seemingly minor life events like opening a savings account until they were asked in person by the SIPP interviewers in the fourth reference month.

CONCLUSION

In this study, we use data from the 1996 and 2008 Survey of Income and Program Participation (SIPP) to assess the use of secured and unsecured debt for households headed by young-adult Americans. We focus in particular on whether a savings account might be associated with mitigating young adults' reliance on unsecured debt, a form of debt that tends to cost more and place borrowers at greater financial risk than secured debt does. We undertook this study to assess whether a savings account might be associated with protecting young-adult households from reliance on unsecured debt.

Our analyses reveal that while a savings account is related to more accumulated debt overall, the type of debt accumulated is less risky and potentially more productive for young adults' balance sheets. Compared to no account ownership, owning a savings account was associated with a 16 percent increase in the value of households' accumulated secured debt and a 5 percent decrease in the value of households' accumulated unsecured debt. We conclude that a savings account may help young adults "invest in their debt" by entering better, healthier credit markets and that, in this way, it might protect them from riskier, more costly credit markets.

We see five specific implications of our research. First, concerning financial inclusion, our findings on the association between a savings account and debt imply that a savings account is a financial tool that may offer young adults a gateway to building healthy balance sheets. If the associations tested in this study are confirmed by future research, young adults' balance sheets could have favorable debt-to-assets ratios and hold more productive debt if better financial tools were available (Friedline et al. 2014). Programs and policies like Children's Savings Accounts (CSAs; also referred to as Child Development Accounts [CDAs]) and Individual Development Accounts (IDAs) that automatically open safe, affordable, and progressively incentivized savings accounts for those who qualify may help to facilitate young adults' financial inclusion (Sherraden 1991; Nam et al. 2013; Friedline 2014). Likewise, cities and states around the United States are supporting

initiatives like Bank On, SaveUSA, and Refund to Savings that reduce barriers to savings account ownership and leverage annual tax filings to promote saving (Mills 2013; Grinstein-Weiss, Perantie et al. 2015).

Second, this finding carries clear implications for the financial industry. Half of young-adult households in our sample closed or never owned a savings account, suggesting that they may have been excluded from the use of this financial tool and therefore lingered on the financial margins. The onus cannot solely be on young adults to seek out savings accounts from financial institutions; institutions themselves need a wider reach. The most obvious way for financial institutions to broaden their reach is through the provision of safe and affordable savings accounts. According to the Federal Deposit Insurance Corporation's (FDIC) survey of financial institutions' efforts to serve those on the financial margins, only about 40 percent of institutions report developing products and services for lower-income, financially marginalized populations. Moreover, only 20 percent of financial institutions offer "second chance" accounts to consumers whose credit histories might otherwise prevent them from opening a savings account. While not all young adults find themselves on the financial margins and in need of such products, these statistics suggest that financial institutions may not be in the business of inclusion. In order to contribute to healthier household balance sheets, be more inclusive, and provide services to young adults (whose portfolios are likely to increase as they age and benefit financial institutions), these institutions need encouragement from regulators and legislators.

Third, policies may be needed that assist young-adult households in using debt productively. The mounting debt held by young adults is of particular concern as their financial health is eroded by an unstable economy and as uncollateralized debt takes up an increasing share of their balance sheets relative to other types of debt (Ross 2013; Houle 2014). Historically, secured debt dominated young Americans' balance sheets: this had the benefit of providing collateral that could be leveraged to acquire other types of debt, generating equity over time, allowing for considerable tax breaks, and contributing to wealth accumulation. In fact, secured debt in the form of home ownership has long been the primary mechanism for wealth accumulation in the United States. However, many young adults are delaying or forgoing the purchase of a home, and this may be related to rising debt more generally and student loan debt in particular (Elliott,

Grinstein-Weiss, and Nam 2013; Houle and Berger 2015). Minimizing unsecured, unproductive debt and burdensome student loan debt is an obvious policy intervention that would benefit young adults' balance sheets and allow them to begin building a strong financial future. Like the historic wealth transfers made available by the Homestead Act of 1862 (Williams Shanks 2005), perhaps the equivalent policy intervention for the twenty-first century is one that invests in young adults' debt to stabilize their financial health and catalyze them toward economic mobility.

Fourth, in order for young adults to manage both sides of their balance sheets, we need to promote financial education among young people. There are positive associations between young adults' financial education and their financial health that are worth some discussion (Brown et al. 2013, 2014; Fernandes, Lynch, and Netemeyer 2014). As mentioned in the literature review, Brown and colleagues (2014) reveal that young people who attended public school after the implementation of state-mandated financial education fared better in terms of credit scores and lower delinquency rates. However, it is important to acknowledge that young people also need opportunities in the broader macroeconomic context that support their financial health. For instance, young people may be able to make better use of the knowledge gleaned through financial education when the economy is growing, employment is easier to find and pays a living wage, and the types of mortgages available through banks are affordable. Financial education alone could not have prevented or compensated for the complex macroeconomic changes that took place in the 1990s and 2000s, reversing the low or stagnant wages or unemployment spurred by the Great Recession. Not even the world's most well-respected economists foresaw the Great Recession (Krugman 2009; Smith 2015). This does not mean that financial education is unimportant; rather, insofar as it can help us to make healthier financial decisions, financial education should be promoted in public school systems.

Finally, one reason that possession of a savings account is associated with young adults' financial health—including their use and accumulation of debt, especially unsecured debt—is that the savings therein might be used to meet unexpected expenses or smooth disruptions in income. As mentioned in our review of the literature, research confirms that savings is associated with a reduction in financially vulnerable households' reliance on high-cost credit. Emergency and precautionary savings seem to help in staving off financial difficulties. Gregory Mills and Joe Amick (2010) find that holding liquid

assets of $1,999 or less (as opposed to no liquid assets at all) is associated with a significantly lower incidence of most types of material hardship among lower-income households, including missing utility or housing payments, missing a doctor's visit, or experiencing food insecurity. Gjertson (forthcoming) finds that emergency savings is associated with buffering households against financial shocks, and that this is especially true for lower-income households. Programs that help lower-income people build emergency savings (New York City's Save USA, e.g., which offers an incentive to save at tax time) should be promoted by advocates and supported by policy.

In the midst of public discussions about young adults' indebtedness and the problems it can create for building healthy balance sheets, our findings demonstrate that a savings account—a simple financial tool—may be a possible solution. Thus, a savings account may help young adults to access better, healthier credit markets and protect them from accessing riskier ones. If these associations are proven by future empirical and causal research, young Americans may begin their adulthood with balance sheets that catalyze them toward economic mobility rather than chip away at their financial health.

Appendix

Descriptions of Control Variables

Age: Young adults' age was a continuous variable ranging from 18 to 40 (TAGE).

Gender: Young adults' gender was measured based on their reports of being male or female (ESEX; male = 1; female = 0 [reference]).

Race: Young adults' race included those who were white, black, Asian/Pacific Islander, and Native American/First Peoples (ERACE). Given the low percentage in the sample who were Native American/First Peoples and Asian/Pacific Islander and their very similar estimates in the models when compared to blacks, Native American/First Peoples and Asian/Pacific Islanders were combined with blacks and identified as nonwhite (white = 1; nonwhite = 0 [reference]).

Marital status: Marital status (EMS) was measured by asking young adults to report monthly whether they were married, widowed, divorced, separated, or never married. Young adults' responses were collapsed into married or not married categories (married = 1; not married = 0 [reference]).

Family household type: Each quarter, young adults were asked their relationship to the household reference person (ERRP)—the person for the household whose name appeared on the lease or mortgage and who was identified by the 1996 SIPP as being the household head or person of reference. The 1996 SIPP recorded a range of relationship statuses, from a spouse or relative of the reference person to a housemate or other nonrelative. The range of relationships were categorized into young adults who were listed as the reference person, the child of the reference person, a relative, or a nonrelative. Forty-three percent of young adults were listed as the reference person, potentially indicating that they were responsible for households of their own. Twenty-two percent of young adults reported that they were the child of the reference person, potentially indicating that they continued to reside with their families of origin. The remaining 35 percent reported that they were relatives or nonrelatives of the household reference person. These responses were categorized as family or nonfamily for the purposes of analyses (family = 1; nonfamily = 0 [reference]).

New head of household: The change in household relationship status tracked young adults quarterly and retrospectively over 1 previous calendar year, identifying whether young adults changed from being listed as a child, relative, or nonrelative to a household reference. Approximately 3 percent of the sample reported becoming a new reference person at some point during the panel. This change in household relationship status served as a proxy for young adults who became heads of households during the course of the panel (new head of household "yes" = 1; not a new head of household "no" = 0 [reference]). In other words, while all young adults were heads of households, some entered the SIPP already as heads of households, whereas others became heads of households during the times of observation.

Education level: Young adults were asked to report the highest grade completed or degree received each month, ranging from less than first grade to doctorate degree (EEDUCATE). Responses were collapsed to indicate having received primary school education through grade 8, some high school education through grade 12, a high school degree, some college, or a 4-year college degree or more (college degree or more = 3; some college = 2; high school degree = 1; some high school or less = 0 [reference]).

College enrollment: Young adults' college enrollment status (RENROLL) was measured by asking whether or not they were enrolled in school in the previous quarter. Young adults who were enrolled full- or part-time during the quarter were considered to have been enrolled in college, whereas those

who were not enrolled in the quarter were considered to have not been enrolled (enrolled in college = 1; not enrolled = 0 [reference]).

Employment status: Young adults were asked whether or not they were employed during the month (RMESR). Those who responded that they were with a job for the entire month were coded as employed. Young adults who reported being with a job for part of the month were coded as being partially employed. Those who were without a job, including being absent without pay, laid off, or looking for work, were coded as unemployed (employed = 1; not employed = 0 [reference]). Young-adult heads' employment status was considered across the entire quarter.

Quarterly mean income: Young adults' total earned income was available for a given month (TPEARN), which was averaged across the months leading up to the fourth reference month in the quarter, winsorized (Cox 2006), and transformed using the natural log to account for skewness. In the analyses predicting liquid assets, quarterly mean income was divided by 1,000.

Home ownership: Young adults were asked whether they lived in a home being bought or currently owned or whether they rented or otherwise occupied the residence in which they were living (ETENURE; home owner = 1; not a home owner = 0). Their responses were measured monthly. These monthly responses were used to track changes in home ownership between one quarter and the next. A young adult who originally said they owned a home and then did not was considered to have sold their home (owned a home "yes-yes" = 3; purchased a home "no-yes" = 2; sold a home "yes-no" = 1; and never owned a home "no-no" = 0 [reference]).

Geographic region: The 1996 SIPP asked young adults whether they lived in a metropolitan region or rural or suburban region (TMETRO; metropolitan = 1; rural or suburban = 0). Young adults were also asked in which state their household resided (TFIPSST). States were recoded into geographical regions (West = 3; North Central = 2; South = 1; North East = 0 [reference]). Southern states included Alabama, Arkansas, Delaware, Washington DC, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. North Central states included Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, North Dakota, South Dakota, Wisconsin, and Wyoming. Western states included Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, and Washington. North East states included Connecticut, Maine,

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NOTE

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Targeting Services to Individuals Most Likely to Enter Shelter: Evaluating the Efficiency of Homelessness Prevention

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ABSTRACT Successful strategies for homelessness prevention must efficiently target people at greatest risk for experiencing homelessness. We developed a model to target homelessness prevention services to individuals and evaluate its results compared to a similar model we developed for families. We tracked 10,220 individuals who applied for community-based homelessness prevention in New York City from 2004 to 2010 using Cox regression to predict shelter entry over the next 2–8 years. Both the comprehensive model and a brief screening model based on seven variables are at least as efficient as worker judgments, increasing correct predictions by 77 percent and reducing unidentified cases of subsequent homelessness by 85 percent. Risk factors for homeless individuals were mostly a subset of risk factors for families. The evidence suggests that, despite limitations, empirical models increase the efficiency of prevention services for individuals. Investigators in other cities may improve the efficiency of local prevention programs with empirical targeting models.

INTRODUCTION

Nationwide in 2014, more than 1.48 million people stayed in a homeless shelter for at least one night, and almost two-thirds of them were individuals who were not part of family units (HUD 2015*a*). Shelter stays are expensive for cities (Spellman et al. 2010; Culhane, Park, and Metraux 2011), and homelessness is associated with a variety of adverse outcomes for people who are

Social Service Review (March 2016). 0037-7961/2016/9001-0004$10.00

experiencing it (e.g., increased criminal activity, higher rates of drug and sexual-risk behaviors; Aidala et al. 2005; Burt and Spellman 2007; Fischer et al. 2008; Fazel, Geddes, and Kushel 2014). Accurately targeted and effective community-based prevention programs can be cheaper for cities than expensive shelter stays (Culhane, Metraux, and Byrne 2011). Although studies show reductions in homelessness rates resulting from increased investment in deep subsidies such as permanent supportive housing (e.g., Byrne et al. 2014) or vouchers (Gubits et al. 2015), there is limited research that investigates the effectiveness and efficiency of targeted homelessness prevention, or prevention programs that direct services to people at highest risk for shelter entry. Previous studies acknowledge the difficulties (and importance) of identifying which recipients would benefit most from social services as well as political challenges that arise when seeking to target services narrowly (O'Flaherty 2009; Theodos et al. 2012). Our study develops a model to predict shelter entry for adult applicants for the HomeBase homelessness prevention program in New York City.

The goal of this study is to help service providers target prevention services to the individual applicants who can benefit most. Here individuals are defined as adults without children. In New York City, couples without children can be sheltered together and are considered part of the individual adult system, so they are included as individuals here. In order to improve targeting of prevention services, this article addresses the following questions: Which risk factors contribute to shelter entry for individual applicants for prevention services? How do risk factors for shelter use vary between families and individual applicants? Are some individual applicants at such high risk that prevention services make little difference? How does the efficiency for an empirical model predicting shelter entry for individuals compare with decisions made by service providers in the absence of such a model?

BACKGROUND

THE HOMEBASE HOMELESSNESS PREVENTION PROGRAM

HomeBase offers customized services, including case management, eviction prevention, landlord mediation, short-term emergency funding, and assistance in obtaining employment and public benefits, to families and individuals who are at risk for homelessness. People find HomeBase through public awareness campaigns, street outreach, and word of mouth (Taylor 2015), and they apply for services at offices operated by nonprofit service agencies

located in their communities. Applicants are required to have incomes below 200 percent of the poverty line. Prior to the development of our model for determining eligibility, the HomeBase program determined eligibility for services based on one or more of the following additional criteria: significant overcrowding or household discord, residency threatened by legal eviction action, unworkable landlord relationship, unsafe living conditions, desire to reintegrate into community district, or shelter application within the past 3 months. However, the program is flexibly designed to allow all HomeBase offices discretion when determining eligibility. The number of households served continues to grow over time, with 20,000 served in 2015 (more than double the number of households served in 2014). Services are modest; only 25 percent of clients receive financial assistance, and the average cost per household is $2,000 (internal Department of Homeless Services analysis by coauthor Jonathan Kwon).

The HomeBase program is unique in its flexible program design and its use of community-based services. Additionally, HomeBase administrators hold service providers accountable for both low rates of shelter entry for those who receive services and lower rates of homelessness in communities served by HomeBase, compared to others. The program has been shown to be modestly effective, at least for families, in experimental and quasi-experimental studies (Messeri, O'Flaherty, and Goodman 2012; Rolston, Geyer, and Locke 2013), but it serves many families who are at such low risk for shelter entry that they derive little benefit. After our team developed an empirical model that was adopted by New York City to target services to families who could benefit most (Shinn et al. 2013), officials asked us to develop a parallel model for individuals.

HOMELESSNESS IN NEW YORK CITY

There are several differences between homelessness in New York City and in the United States as a whole. The trends in homelessness rates for individuals in shelter appear to be headed in opposite directions. From 2007 to 2015, the numbers of homeless individuals in shelter fell by 3 percent nationally, compared to a 50 percent increase in New York City (HUD 2015*b*). Although the rates are based on point-in-time (PIT) estimates for a single night, the opposite trends are noteworthy. Individuals form the largest group of people experiencing homelessness nationwide, but not in New York City (HUD 2015*b*). Of all homeless people staying in shelter or tran-

sitional housing in New York City on a single night in January 2015 (HUD 2015*b*), less than 37 percent were individuals. This is lower than the national proportion of individuals in shelter both because of the high cost of housing in New York City (which is particularly problematic for families) and because the city's legal right to shelter means that families who might put up with extremely poor housing conditions in other jurisdictions are more likely to enter shelter in New York City. The landmark case *Callahan vs. Carey* in 1981 ruled that New York City is legally required to accommodate every person who needs shelter (Department of Homeless Services 2016).

There is reason to believe that the risk model we developed previously for families might not apply to individuals because they have different characteristics in national data. For example, single homeless people in shelters have higher rates of disabilities than sheltered families, and African Americans are overrepresented in both groups but especially among families (HUD 2015*a*). Other studies find that baby boomers have maintained high risk for individual homelessness, leading to an increase in average age for individuals over the last three decades, whereas a similar aging trend is not evident for families (Culhane et al. 2013). Further, among individuals, longer durations of homelessness are associated with older age and arrest history (Caton et al. 2005). Several authors have developed risk models for families (Shinn et al. 1998, 2013; Barnett et al. 2011), for undifferentiated groups of individuals and families (Hudson and Vissing 2010), or for veterans (Greenberg et al. 2006). Given the differences between individuals and families, it is important to develop a separate risk model for individuals.

WHY DO FAMILIES AND INDIVIDUALS DIFFER?

Structural forces that shape homelessness, such as economic and social policy, account for the differing rates of homelessness for families and individuals. During the second half of the twentieth century, contemporary homelessness emerged first for individuals and then for families in step with shifts in political, social, and economic forces. In the 1950s and 1960s, older single men living in urban skid rows exemplified homelessness. Increases in coverage and amounts of social security in the 1960s and 1970s reduced homelessness (Rossi 1994). At the same time, cities began demolishing flophouses, single-room-occupancy hotels, and other cheap housing, which led to homelessness among new groups of younger single men and then women. In the early 1980s, greater unemployment, an economic recession, and less finan-

cial assistance from the state led to the emergence of family homelessness. In spite of an economic boom in the late 1980s, the wealthiest Americans' financial gains failed to trickle down to the poorest families and rates of family homelessness increased (Rossi 1994). In the 1990s, many states restructured welfare programs to require employment, which posed a challenge for single mothers and contributed to increases in the overall number of homeless families (Shinn 2010). Discrimination across domains such as housing, employment, and imprisonment likely leads to greater rates of homelessness for minorities for both families and individuals (Shinn 2010).

The financial costs of housing further differentiate families and individuals. Families require larger units than individuals, and families with infants and young children are at particular risk for homelessness because costs of childbirth and care for young children can require the use of funds that might otherwise have been used for housing. Individuals may have lower financial burdens, but disabilities and more restrictions on assistance impede their ability to afford housing. Across at-risk groups, but especially for families with children, a lack of affordable housing pushes financially constrained households into homelessness (Shinn and Weitzman 1994).

Disabilities such as mental illness and substance abuse often factor into discussions of homelessness, particularly for individuals. In 2011, rates of mental illness for sheltered persons (severe mental illness, 26.2 percent; chronic substance abuse, 34.7 percent) were much higher than national rates of mental illness (16.2 percent), substance abuse (6.3 percent), or both (2.9 percent; Paquette 2011; SAMHSA 2014). For individuals with long or recurrent episodes of homelessness, the rates are even higher: 30 percent experienced mental health problems, and approximately 50 percent exhibited co-occurring substance abuse (Paquette 2011). Further, individuals with mental illness might alternate repeatedly between shelters, jails, and substance or mental health facilities, a phenomenon that is sometimes called the "institutional circuit" (Hopper et al. 1997, 659). Additionally, the exclusion of substance abuse as a disability to qualify for Supplemental Security Income (SSI) likely exacerbated already constrained financial situations, especially for individuals (Burt 2001; Baumohl et al. 2003; Norris et al. 2003).

In sum, the characteristics of families and individuals who experience homelessness tend to differ in response to economic, social, and political structures. Ending homelessness requires making housing more affordable, and structural change that would accomplish this occurs slowly. In the

meantime, people lose homes. Provision of rapid, effective, targeted homelessness prevention to those at risk can reduce the immediate financial and emotional costs of shelter entry. Accordingly, a model predicting shelter entry for individuals, distinct from those developed previously for families, can guide service providers and programs to target services to people who are most in need.

RISK FACTORS AND MODEL EFFICIENCY

Many studies of homelessness describe risk factors, but for purposes of prevention, investigations should assess how efficiently a collection of risks organized into a targeting model can select people at risk for homelessness (Burt, Pearson, and Montgomery 2007; Shinn and Greer 2011). To test the efficiency of a model, evaluations should examine hit rates and false-alarm rates at various levels of assessed risk (Swets 1996; Shinn et al. 1998, 2013). The hit rate is defined as the proportion correctly predicted to enter shelter among all shelter entrants. The false-alarm rate is defined as the proportion of people incorrectly predicted to enter shelter among all people who avoid shelter entry. In the case of a continuous risk model, agencies can provide services to all those who exceed some cutoff of risk, with that cutoff suggesting a particular trade-off between hit rates and false-alarm rates (Shinn et al. 2013).

Models predicting homelessness tend to have low hit rates unless researchers and policy makers are willing to tolerate high false-alarm rates. For example, in a nationally representative sample, Christopher Hudson and Yvonne Vissing (2010) correctly predict 2.6 percent of the people who self-reported an experience of homelessness, at a false-alarm rate of 0.1 percent. The authors chose such a low cutoff for risk because the false-alarm rate applied to the entire population of the nation. This study used demographic, socioeconomic, and mental illness predictors, but it did not differentiate between families and individuals.

Other investigations model homelessness risk for families (Shinn et al. 1998, 2013; Barnett et al. 2011). With a targeting model, Marybeth Shinn and colleagues (1998) correctly identify 66 percent of shelter entrants (i.e., the hit rate) with a false-alarm rate of 10 percent of families receiving public assistance in New York City. Families receiving public assistance are a more select group than the national population, but offering services to 10 percent

of the public assistance caseload at the time of the study would have meant that over 80 percent of services would have gone to people who would have avoided shelter without them (Shinn, Baumohl, and Hopper 2001). In a sample of 2,602 homeless families, half of whom participated in the rapid exit program in Hennepin County, Jamie Barnett and colleagues (2011) attempted to predict shelter reentry and found a hit rate of 48 percent of reentrants with a false-alarm rate (or those who were predicted to reenter shelter but who did not) of 23 percent.

In a recent investigation (Shinn et al. 2013), we examined the efficiency of targeting models for families who applied to the HomeBase prevention program in New York City. We used Cox proportional hazards modeling to identify risk factors for shelter entry over 3 years among 11,105 families who applied for HomeBase services. We calculated that if HomeBase continued to serve the same percentage of applicants (66.5 percent) but selected them according to the targeting model rather than worker judgments, they would improve the hit rate to 90.4 percent from 71.6 percent among applicants who entered shelter, at the expense of a false-alarm rate of 65.7 percent among applicants who remained housed. However, targeting remains difficult: even in the highest decile of risk, only 44 percent of families who failed to receive services entered shelter.

We found only one peer-reviewed study that considered the efficiency of predictive models for any population subgroups other than families. Greg Greenberg and colleagues (2006) created a model that predicts rates of subsequent homelessness for previously homeless veterans in a Veterans Health Administration medical center. They find that, for the lowest-risk group, 2.9 percent of veterans experienced subsequent homelessness, whereas 27.6 percent of the highest-risk group experienced homelessness again. Housing statuses included literal homelessness, doubled-up living situations, being transferred to another institution, and living independently. The authors find that better housing status at discharge originated from entering the program without a status of homeless, receiving treatment in a substance abuse or psychiatric program rather than a medical program, and having greater income or access to financial assistance. The authors do not report false-alarm rates.

This study adds to the literature by developing a risk model for subsequent shelter entry for individuals who applied for homelessness prevention services in New York City. Following this model, we compare the risk factors and the efficiency of the resulting targeting models for individuals with

findings from our study of targeting among families (Shinn et al. 2013). The investigation permits targeting of prevention services to individuals who will benefit most.

METHOD

Participants are 10,220 individuals who applied for New York's HomeBase prevention services from September 28, 2004, to December 29, 2010. The sample contains mostly females (61 percent), African Americans (56 percent), and high school graduates (59 percent). Further, the majority were middle-aged (median age = 46), currently employed (66 percent), without a veteran status (97 percent), unmarried (88 percent), and without a self-reported history of a mental health diagnosis (79 percent) or substance abuse (82 percent).

VARIABLES

At the time of application, intake workers surveyed participants about the following domains: demographics, human capital, housing conditions, disability, interpersonal discord, childhood experiences, and shelter history. (Variables used in analysis are described in table 1. Appendices A and B, which are available online, include the full screening survey and a correlation matrix of all independent variables, respectively.) Measures relied on respondents' self-reports and interpretations of questions, as is typical in the coordinated entry systems being developed by many communities. The New York City Department of Homeless Services (DHS) merged these survey results with administrative records of applicants' previous interactions with the DHS shelter system (administrative records used in this investigation started in the 1990s) and the date of any subsequent shelter entry through June 2013.

ANALYSES

We developed a risk model predicting subsequent shelter entry for individuals. Then we compared results using that risk model for individuals to those found in our previous investigation of families (Shinn et al. 2013). Comparisons included risk factors and rates of shelter entry among applicants who were judged eligible for services (and presumably received them) and

TABLE 1. Descriptive Data, Adjusted Hazard Ratios, and Confidence Intervals for Predictors of Shelter Entry in Cox Regression for Individuals

Predictor	No Shelter; % or Mean (n = 9,663)	Shelter; % or Mean (n = 557)	Hazard Ratio	95% Confidence Interval
Demographics:				
Male	38.1	45.5	.979	.735–1.303
African American	55.1	69.8	.859	.544–1.356
Hispanic	37.5	22.5	.684	.418–1.117
English speaker	71.6	95.0	1.506	.865–2.623
Age	*44.6*	*41.6*	*.977******	*.967–.987*
Married/partner	11.5	21.1	1.013	.726–1.413
Veteran	2.8	4.3	1.077	.529–2.192
Human capital:				
High school /GED	59.0	57.7	.889	.690–1.145
Currently employed	55.1	71.7	1.075	.715–1.618
Currently receiving public assistance	56.8	62.0	1.630	.969–2.742
Lost benefits in past year	10.4	17.5	1.075	.636–1.814
Housing conditions:				
Name on lease	45.7	65.3	.627	.343–1.146
Overcrowding or discord	19.1	14.3	.866	.586–1.280
Arrears ($)	*1,600*	*3,429*	*1.018******	*1.008–1.027*
Doubled up	26.8	19.8	1.459	.944–2.255
Verbal eviction threat	13.2	29.6	2.085***	1.353–3.212
Legal eviction action	32.5	28.4	.648*	.456–.921
Rent > 50% income	38.0	47.6	1.211	.809–1.811
Unsafe conditions	6.4	10.1	1.072	.721–1.593
Level of disrepair	*4.2*	*3.2*	*.613*	*.260–1.442*
Moves in past year	*.7*	*.6*	*.797*	*.629–1.010*
Currently receiving subsidy	4.9	5.5	1.194	.629–2.264

Disability/criminal justice:				
Chronic health/hospitalization	53.6	44.7	.969	.605–1.553
Mental illness/hospitalization	21.6	18.4	.615*	.386–.981
Substance problem/treatment	17.2	25.0	1.195	.464–3.077
Criminal justice involvement	21.1	31.0	.885	.581–1.348
Interpersonal discord				
Domestic violence	15.9	13.8	1.003	.602–1.672
Protective services involvement	4.3	6.7	.890	.386–2.052
Discord rating	*2.1*	*1.6*	*.962*	*.819–1.130*
Childhood experiences:				
Adversity index	*.5*	*.6*	*1.058*	*.870–1.286*
Shelter history (self-reported):				
Shelter history as adult	23.4	75.0	1.400	.872–2.250
Shelter application last 3 months	3.3	17.1	2.517***	1.758–3.604
Reintegrating into community	10.4	27.5	1.372*	1.058–1.780
From administrative data:				
Previous shelter stay	7.2	70.6	18.561***	12.620–27.297

Note.—N = 10,220. Continuous predictors are in italics. To create a robust model, we estimated it initially in two independent random subsamples of 50 percent of the data. (For each, we imputed 50 data sets based only on the information in the subsample.) The resulting models were substantially similar to the complete model with the exception that mental illness failed to be a reliable predictor in either subsample. Accordingly, mental illness is omitted from the screening survey. We report the model for the full sample here. Omitted race/ethnicity category is all other races. Overcrowding and discord were combined in the original data set. Arrears are truncated at $15,000—HR and CI are in units of $100. Criminal justice involvement includes any family member ever incarcerated or whether the respondent is on probation or parole. Protective services involvement is any ACS investigation in the past year, open case, child ever in foster care, or currently in protective care. Discord rating is a 9-point scale and includes averaged values of discord with landlord, leaseholder, or household members. The childhood adversity index is a count of five experiences in childhood: family receipt of public assistance, abuse, shelter, foster care, and four or more residential moves.

* = $p \leq .05$.

** = $p \leq .01$.

*** = $p \leq .001$.

those judged ineligible by level of risk. Next we developed a short screening model to streamline the assessment process. Finally, we examined the efficiency of the model.

We use survival analysis (Cox proportional hazards) to model the hazard of entering shelter on any given day after applying for prevention services among individuals who had not already entered shelter following their application for services. Use of survival analysis rather than logistic regression is important because individuals had different follow-up periods. Additionally, survival analysis models time to shelter entry and not simply whether shelter entry occurred. Hazard ratios represent the amount by which the predicted rate of shelter entry is multiplied for people who exhibit the characteristic (or for continuous variables the multiple for each additional increment such as year of age), adjusted for other variables (Cox 1972). The hazard ratio and 95 percent confidence interval for each predictor are adjusted for all other variables in the model. To account for missing data, we imputed 50 complete data sets with Stata, including auxiliary variables according to the literature (Sinharay, Stern, and Russell 2001; Graham, Olchowski, and Gilreath 2007).

Following the creation of the full model, we created a short screening model by eliminating nonsignificant variables via backwards regression and then verifying that each remained nonsignificant when added back to the final model. In line with the body of forecasting literature (Dawes and Corrigan 1974; Dana and Dawes 2004) and our previous study of homeless families (Shinn et al. 2013), we assigned weights based on the comparative magnitudes of coefficients for dichotomous predictors and shelter entry rates at each value of continuous predictors. A model with integer weights capitalizes less on chance than a model based on precise weights from a particular sample. The brevity of the screening model saves time and leads to higher quality data because workers are less likely to skip questions, which led to large amounts of missing data on the original intake survey for applicants.

Next we examined the efficiency of these models by considering their hit rates (proportion of individuals correctly predicted to enter shelter) relative to their false-alarm rates (proportion of individuals incorrectly predicted to enter shelter among all people who avoided it). Any model with continuous risk scores will generate multiple hit rates and false-alarm rates depending on what cutoff is used for risk. When individuals with few risk factors are predicted to experience the outcome, the hit rate will be high but so will the

false-alarm rate. When only individuals with many risk factors are predicted to experience the outcome, both hit rates and false-alarm rates will be lower. Policy makers decide how many false alarms they can tolerate to obtain as many correct hits as possible.

A receiver-operating characteristic (ROC) curve is a graph of hit rates against corresponding false-alarm rates for all possible cutoffs. In the present study, ROC curves were generated using logistic regression. Predicted scores from a logistic regression were averaged across the 50 imputed data sets to create an average risk score for shelter entry. ROC curves can be used to compare competing models with the goal of selecting the model with the highest hit rates as compared to the lowest false-alarm rates at any level of risk (Swets 1996). The area under the curve (AUC) provides a global measure of model efficiency.

RESULTS

Table 1 contains descriptive statistics, hazard ratios, and confidence intervals for the model predicting shelter entry for individuals. Only 5.4 percent of those who applied for services entered shelter subsequently (over the next 2–8 years), and the majority of people who entered shelter did so within 1 year of applying for services.

Among demographic variables, only age made a reliable contribution to the model. Controlling for the other variables in the model, younger applicants were more likely to enter shelter. None of the human capital variables contributed to the full model. For housing conditions, rent arrears and threats of eviction contributed to the model. Increasing arrears were associated with a significantly higher risk of shelter entry. Findings for threats of eviction were mixed. Those who were verbally threatened with eviction had a risk of entering shelter that was more than two times the risk of those who were not. On the other hand, those who faced a legal eviction action had slightly less than two-thirds the risk of entering shelter of those who did not indicate a legal eviction threat.

No disability/criminal justice variables, interpersonal discord variables, or childhood experience variables contributed reliably to the full model. For shelter history variables, a self-reported shelter application in the last 3 months increased the hazard for shelter entry by over 2.5 times. Individuals who were reintegrating into the community from an institution had more than 1.3 times the risk of shelter entry compared to those who were

not reintegrating. Individuals who had a previous shelter stay had more than 18.5 times the risk of entering shelter compared to those without a previous shelter stay.

Some of these results were unexpected, so we explore them further. We start with the seemingly protective effect of legal eviction threats. If service providers are likely to target and counteract a factor that increases risk in the absence of services such as legal eviction, the net effect of the factor might be zero or even protective. In other words, the HomeBase program might reduce some risk factors more effectively than others. Under these circumstances, the factor might appear to confer risk for those who did not receive services and protection for those who received services. In statistical terms, one would say that services interacted with the factor in predicting shelter entry.

To determine whether this was the case for eviction or any other variables, we looked systematically for statistical interactions showing differential associations of variables with shelter entry for individuals who service providers deemed eligible or ineligible for services. (Eligibility is a proxy for service receipt.) We created separate predictive models for individuals who were deemed eligible for services and for those who were deemed ineligible. The two models differed minimally across risk factors, and in post hoc tests of interactions involving the variables with largest differences in coefficients in the two models, only one interaction was significant: doubled-up living (sharing a housing unit with another household) had a modest, nonsignificant association with shelter entry in applicants who were eligible for HomeBase services and a stronger association (HR = 1.74) in applicants who were deemed ineligible, leading to a significant interaction effect. It is possible that HomeBase was differentially effective for applicants who were living doubled up; however, given the post hoc nature of the test, the result could also be due to chance. We also investigated the relationship between legal eviction and subsequent shelter entry for all ineligible individuals. The association, while still protective, approached zero (HR = .92), and the interaction was not significant.

The strongest support for the idea that legal eviction might appear protective only because of an association with services comes from the subset of individuals who were judged ineligible for services because they lived outside of the community district served by the HomeBase office (n = 907). For these applicants, who could not receive services, legal eviction was a modest but significant risk factor for subsequent shelter entry (HR = 1.34).

For this reason, we exclude legal eviction as a protective factor for homelessness in the screening model, even though it serves to reduce the predictive power of the model in a combined sample of those who did and did not receive services.

Having a previous shelter stay was by far the most potent predictor of entering shelter after applying for preventive services. To better understand the implications of this finding for primary prevention among individuals without prior stays, we repeated the full analysis including only those individuals who did not have a prior stay in shelter (n = 9,131). Results were similar with the exception of two variables: public assistance and doubled-up living. The receipt of public assistance did not contribute reliably to the model. Living doubled up, on the other hand, increased the hazard of shelter entry by over 1.8 times. Similar to the results from the full sample, we find that the hazard of shelter entry increased for individuals who were younger, had increasing arrears, received a verbal eviction threat, applied for shelter within the last 3 months, and sought to reintegrate into the community from an institution. This analysis provides further evidence that living doubled up should be investigated further in future studies of homelessness prevention, although overall risk was quite low: the rate of shelter entry after applying for prevention services is much lower for individuals without a previous record of shelter entry compared to those with a record (1.8 percent vs. 5.4 percent).

SCREENING MODEL

As described in the method section, we created a screening model by eliminating nonsignificant variables via backwards regression and then verifying that each remained nonsignificant when added back to the final model. We added public assistance to the model at this stage because it became significant after correlated variables were removed. We assigned each variable 1–6 points based on the comparative magnitudes of coefficients for dichotomous predictors and shelter entry rates at each level for continuous predictors.

Table 2 introduces the screening model. Individuals could score from 0 to 16 points across seven variables, with increasing scores associated with increased risk for shelter entry. Actual scores (averaged across 50 imputed data sets) ranged from 0 to 14.1 points, with the median score of 1.4. Receiving a score of 3 or more placed individuals in the ninth decile of risk, and

TABLE 2. Screening Model Predicting Individuals Who Should Receive HomeBase Services

Variable	Points
Reintegrating into community from shelter, jail, or treatment program	1
Currently receiving public assistance	1
Reports being asked to leave by landlord or leaseholder	2
Reports applying for shelter in the last 3 months	2
Has administrative record of previous shelter stay	6
Age (years):	
29–32	1
28 or younger	2
Rental arrears ($):	
5,000–8,000	1
8,000 or greater	2

a score of 7 or more placed individuals in the highest decile of risk. Thus, almost all applicants with a previous shelter stay (6 points) were in the top decile of risk, and few applicants without such a stay reached the top decile.

COMPARISON TO FAMILIES

We compared the model developed here for individuals with a model we developed previously for families who applied for HomeBase services from October 2004 to June 2008 (Shinn et al. 2013). Although the dates of applications were different for individuals and families (individuals applied between September 2004 and December 2010), comparisons between the two groups are useful to assess how the targeting of services may differ across groups. Individuals entered shelter at half the rate of families over a 3-year period (6.4 percent vs. 12.8 percent), considering only applicants with 3 years of data. Overall, individuals received services at lower rates (39.1 percent) than did families (66.5 percent). Further, risk factors for individuals differed from those for families. Families had many more significant predictors than did individuals and, for the most part, risk factors for individuals were a subset of those for families. The only new risk factor for single individuals was the amount of rent arrears. With the exception of legal eviction, variables that contributed to shelter entry for both groups did so in the same direction. Note that for families, self-reports of previous shelter were more predictive than administrative records, perhaps because families were more likely to include domestic violence shelters that would not be part of DHS records. For individuals, the administrative records were stronger predictors. In each case, these variables were correlated so that only one entered

the final model and, in each case, prior shelter was the strongest predictor in the models.

RISK MODELS FOR INDIVIDUALS AND FAMILIES

Next we investigated whether some individuals were at such high risk for entering shelter that prevention services would make little difference in subsequent rates of shelter entry. This does not appear to be the case. Figure 1 shows the proportion of individuals who entered shelter by decile of risk (calculated by averaging predicted scores across imputed data sets) and the parallel model for families from our previous investigation (Shinn et al. 2013), in each case dividing the group into those workers judged eligible and ineligible for services. Ignoring eligibility, the probability of shelter entry was similar for families and individuals at the lowest decile of risk (families = 1 percent and individuals = 0 percent) and at the highest (families = 39 percent and individuals = 36 percent). The proportion of individuals who entered shelter stayed low for the first 8 deciles and then rose rapidly. For families, risk increased more gradually. Services seemed most helpful for individuals

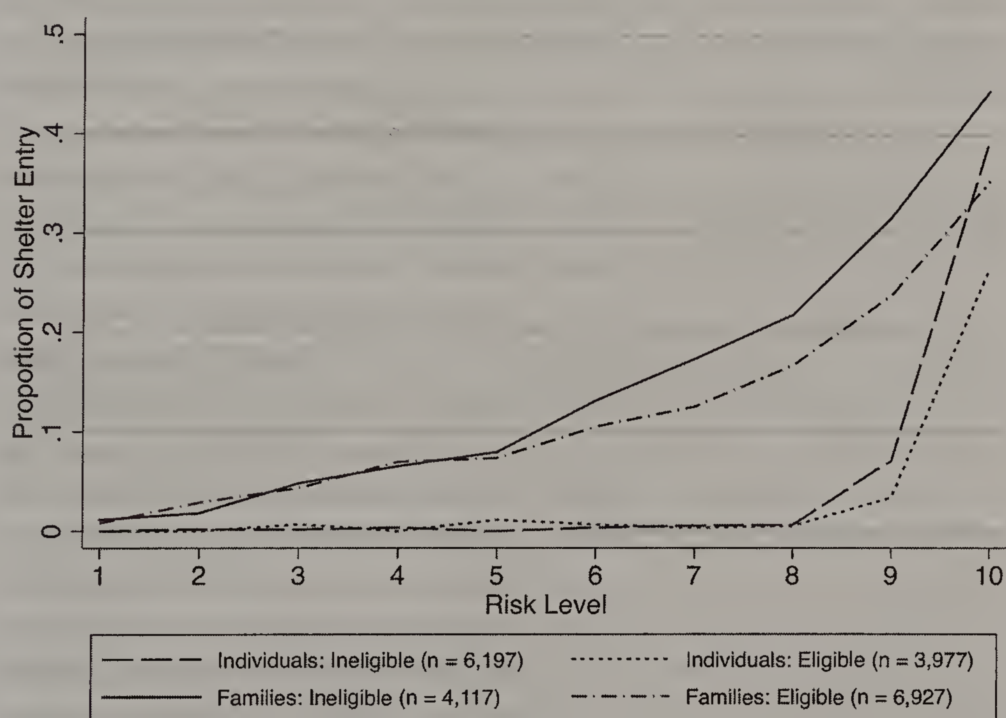

FIGURE 1. Rate of shelter entry for deciles of risk by eligibility status. Family data are from our previous study of families who applied for HomeBase services (Shinn et al. 2013).

in the tenth decile, although they also appeared to make some difference for those in the ninth decile, as judged by the vertical separation in shelter entry rates for individuals who were and were not eligible for services. Services did not appear to matter for individuals or families in risk deciles whose members rarely entered shelter, most likely because there was little risk to avert. Similar to families, the majority of individuals avoided shelter entry, even in the highest risk decile, and even without receiving services.

A parallel model for individuals who had not been in shelter prior to their application for prevention services still showed potential benefits for individuals at the highest risk for homelessness. Shelter entry after application for services was harder to predict, but there was evidence that services reduced rates of shelter entry for the highest-risk group: for individuals scoring 4 or more points (12 percent of the sample with no previous shelter entry), 6.5 percent of those deemed ineligible and 3.9 percent of those deemed eligible entered shelter.

MODEL EFFICIENCY

Figure 2 shows the efficiency of the resulting models for individuals and families. The ROC curves plot hit rates against false-alarm rates for the full and screening model at all levels of predicted risk. Considering only the models for individuals, the full model is only slightly more efficient than the screening model at high levels of risk, but it departs at lower levels. A one-variable model based on whether the applicant had experienced previous shelter exhibited a high hit rate (70.6 percent) compared to a low false-alarm rate (7.2 percent) and was far more efficient than worker decisions during the period under study (hit rate = 50.7 percent and false-alarm rate = 43.4 percent). This comparison excluded those who were ineligible because they were outside of the service area or refused services (n = 1,137). If service providers targeted only applicants who had been in shelter previously, they would serve fewer applicants (10.7 percent compared with 39.1 percent currently) but attain a higher hit rate. Holding the proportion of applicants served constant at 39.1 percent, the screening model would increase the current hit rate to over 90 percent and misses would fall by over 85 percent.

A comparison of the models for individuals and families shows that the individual model was far more efficient. For individuals, the full model had an AUC of .92 (CI .91 – .94), and the screening model had an AUC of .90 (CI .88 – .91). For families, the full model had an AUC of .76 (CI .74 – .77), and

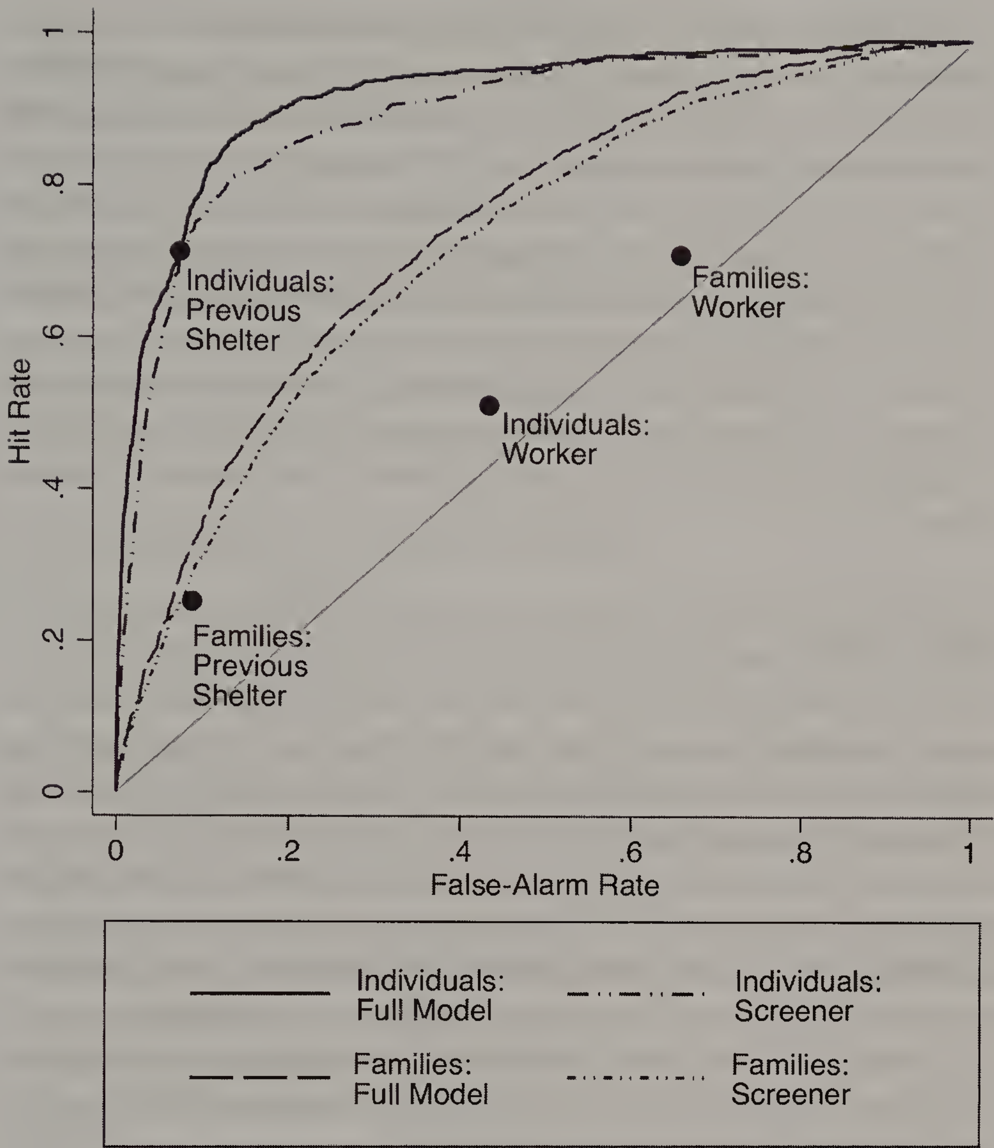

FIGURE 2. ROC curves for model efficiency. Figure shows point estimates for one-variable models based on whether administrative records showed that the respondent had been in shelter previously (*previous shelter*) and whether the intake worker deemed the respondent eligible for services (*worker*). Models include families (n = 10,410) and individuals (n = 9,083) living inside appropriate community districts and not refusing services. Family data are from our previous study of families who applied for HomeBase services (Shinn et al. 2013).

the screening model had an AUC of .74 (CI .73 – .75). A model for individuals with no prior shelter entries had an AUC of .73 (CI .70 – .77). The lower AUC value for individuals without a prior shelter entry suggests that targeting first-time shelter entrants for prevention services is more difficult than targeting those with a previous entry.

As a further test of the robustness of the screening model, we examined how well it predicted shelter entry for people who were deemed ineligible for services for different reasons. By targeting 39.1 percent of applicants (the same proportion who are offered services currently) with the screening model, we identified 89 percent of the 283 applicants who were deemed ineligible for services but who entered shelter subsequently. This includes 85 percent of 47 individuals thought to have insufficient housing risk, 89 percent of 161 individuals deemed eligible for a more appropriate program, 97 percent of 29 individuals who did not comply with the intake process, 89 percent of 19 individuals who refused services (DHS classified this group as ineligible), and 81 percent of 27 individuals who lived outside of the community district.

DISCUSSION

The study developed a model for shelter entry among individuals who applied for HomeBase prevention services that seems to be more efficient than the decisions of intake workers. One predictor stood out: the rate of shelter entry was much higher for individuals with a previous stay in homeless shelters. Few predictors other than previous shelter stays contributed reliably to the full model. Other significant risk indicators included lower age, higher rental arrears, verbal eviction threat, no legal eviction threat, an application for shelter within the past 3 months, reintegrating from an institution, and public assistance receipt. Subsequent analyses cast doubt on the robustness of legal eviction and mental health predictors; these variables were eliminated from the screening model.

In the full sample of individuals, only 5.4 percent of individuals subsequently entered shelter, and only 1.8 percent of individuals with no prior shelter stays did so. Our findings suggest that HomeBase is especially beneficial for individual applicants at the highest level of risk. Services did not seem to matter for applicants below the eighth decile of risk, most likely because there was little risk to avert. Services seemed more helpful for individuals in the ninth decile of risk and above.

INDIVIDUALS WITHOUT PRIOR SHELTER STAYS

For individuals without previous stays in homeless shelters, a targeting model was less efficient than the model that included the complete sample of individuals who applied for prevention services. On the other hand, the

model for the limited sample was still more efficient than the decisions of intake workers. The model that excluded those with previous shelter stays differed from the full model in two ways. First, doubled-up living arrangements contributed reliably to the model that excluded individuals with previous shelter records, suggesting that a point may be added to the risk model in this case. Second, receiving public assistance failed to predict shelter entry reliably for this group of individuals, possibly suggesting dropping a point from the risk model under these circumstances. However, we acknowledge that the investigations are post hoc tests. Accordingly, we remain cautious about the reliability of our findings.

IMPLEMENTING THE SCREENING MODEL

In the full sample of individuals, a few variables might lead to adjustments to the screening model if they were supported by additional research. For example, the fact that legal eviction was associated with staying out of shelter might be taken as evidence for the effectiveness of eviction prevention services. Additionally, a significant interaction between doubled-up living and eligibility suggests that services may reduce shelter entry for individuals who are living in doubled-up households, so that one point could be added to the risk model for such applicants. As described above, we remain cautious about the findings from two of many post hoc tests. Doubled-up living and legal eviction might be useful variables to explore in future models in New York City and elsewhere.

As noted in our earlier study (Shinn et al. 2013), decisions about how to target services are not merely technical. Actuarial tools are useful, but moral and ethical considerations and costs to homeless people and to the public should be considered. Policy makers may be particularly concerned with reducing shelter entries, but services (whether offered under the rubric of homelessness prevention or in some other way) could also serve additional worthy goals such as reducing evictions or connecting applicants with employment or other services. The success of services in attaining their goals should be rigorously evaluated.

Program administrators can choose cutoff scores on the screening model that correspond to trade-offs of hit rates and false-alarm rates. The trade-off between narrow targeting (which might permit more intensive and possibly more effective services) and broader targeting, with more false alarms, is also a moral and political one. For example, it might make sense to offer services only to those individuals who had been in shelter previously, although

New York City has not chosen to do so. Policy makers must also decide what to do with applicants who are deemed ineligible for services. New York City gives them information about where to obtain various resources, but no help from caseworkers.

COMPARING INDIVIDUALS AND FAMILIES

Individuals differed from families in several ways. The lower rate of shelter entry for individuals among HomeBase applicants is consistent with the lower rate of shelter use by individuals than by families in New York City (HUD 2015*b*). This pattern might not generalize beyond New York City because nationally more shelter users are single adults (HUD 2015*a*). Risk rose more quickly for families, and services began to make a difference at lower deciles of risk compared to individuals. Additionally, we find that the risk model for individuals is more efficient than a comparable model for families, except in the case of individuals without a previous shelter stay. Further, predictors of shelter entry were fewer for individuals than for families. Finally, characteristics of individuals and families differed descriptively, in ways consistent with the literature. However, in the context of other variables, such as previous shelter stays, many of the variables that distinguished individuals and families failed to predict shelter entry. For example, rates of criminal justice involvement and substance abuse were higher for individuals than for families, but neither variable predicted higher levels of shelter entry. Although individual adults in shelter are getting older, as in the case of families, it was younger adults who were at greater risk. This was also true among individuals without a previous shelter stay.

Some limitations of this investigation were similar to limitations of our study of family homelessness. For example, most data were self-reports by individuals seeking services, and the validity of responses is not known. Service providers must often decide who among a large number of applicants to serve, or, in a coordinated entry system, what services to allocate to which individuals based on individuals' self-reports. It is possible that better measurement would yield better predictive power, at the expense of a more drawn-out assessment process. Further, to the extent that HomeBase services were effective, this fact weakens prediction. In the limit, if HomeBase worked perfectly, no one who received services would become homeless and prediction would be possible only for those workers deemed ineligible. Individuals who apply to HomeBase are not a random sample of all poor New Yorkers; the model is based on those who apply and might vary if, due

to changes in advertising or for other reasons, the applicant population changed.

Additionally, the face of homelessness changes over time for both families and individuals. One primary challenge with targeting research includes a trade-off between timely models with current risk factors and the allowance of sufficient time for at-risk applicants to enter shelter so that models can be created and evaluated. Both studies of individuals and of families suggest that following applicants for at least a year is useful, as the majority of shelter entries happen within the first year.

Finally, we make a similar caution about model uptake in other locales as we did for the investigation of homeless families: the model may be a good starting point in the absence of local data, but the approach to better efficiency rather than the specific model is the transferrable tool from the current investigation. As discussed above, shelter entry rates for individuals in New York City are lower than for families, despite the right to shelter, which is not true nationally. Rents are higher in New York City than in most locales, and with the substantial tax base, services are relatively rich. Fortunately, other localities would not need tens of thousands of cases with outcomes recorded over years or complex statistical algorithms to create their own models. Simple models are likely to be nearly as good (Dawes 1979; Dana and Dawes 2004). Unfortunately, many communities currently rely on assessment instruments with no evidence of predictive validity in deciding how to allocate services.

Efficiency of targeting appears to increase for both individuals and families by means of an empirical model that directs services to those who can benefit most. Serving the same proportion of individuals with a screening model instead of current decision-making processes would have increased the hit rate to over 90 percent and reduced misses by over 85 percent. Even a one-variable model based on administrative records of prior shelter experiences is far more efficient than current decisions. However, targeting remains imperfect as evidenced by the fact that most individuals, like families, avoid shelter entry, even in the highest risk decile. Although empirical targeting is imperfect, a large body of research suggests that empirically based models tend to be more efficient than worker judgments (Dawes, Faust, and Meehl 1989; Grove et al. 2000; Ægisdóttir et al. 2006), as was the case here.

The New York City Department of Homeless Services (DHS) has adopted the empirical risk models for its HomeBase prevention services for both individuals and families. DHS allows workers to override model

decisions in a limited number of cases, which is important to secure worker support for the process. Applicants who do not score high enough for full services receive an information packet. Separately, New York City has several programs, including free legal representation, to prevent eviction. By testing and employing similar empirical targeting models, other locations may improve the efficiency of their prevention programs and provide important information for further generalization. Accordingly, the limited resources that support homelessness prevention could be better targeted to help where they are most needed: for individuals and families who would otherwise enter shelter.

NOTE

Andrew L. Greer is a research associate on a program evaluation team at Westat, an employee-owned research firm in the Washington, DC, metro area. Recently, he completed his doctoral studies in Vanderbilt University's Community Research and Action program. Andrew's current work includes a range of international and domestic evaluations of community development programs in the areas of public health, housing, and homelessness.

Marybeth Shinn is a professor of human and organizational development at Peabody College, Vanderbilt University. She has done research seeking to understand, prevent, and end homelessness for different populations for almost three decades. She is currently engaged in the Family Options study, a multisite experiment evaluating four housing and service interventions for homeless families.

Jonathan Kwon is the lead teaching pastor at One Heart Baptist Church in Glen Cove, NY. He is a trusted community leader providing pastoral care and assistance to local community members in crisis and transition. Previously Jonathan worked for the Department of Homeless Services in New York City. Jonathan's research interests are in the field of technological systems integration and social transformation.

Sara Zuiderveen is the deputy commissioner for rental assistance programs and legal services initiatives at the New York City Human Resources Administration. Sara is interested in research that explores how to target housing resources and effectively prevent homelessness.

The research was funded in part by the New York City Department of Homeless Services, internal Peabody College funds, and a grant from the Wachs Family Fund. It represents a collaboration across these agencies.

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ESSAY REVIEW

Low-Income Families in the Context of a Vanishing Safety Net

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ABSTRACT Welfare reform and expansions to the Earned Income Tax Credit (EITC), both of which occurred in the late 1990s, changed the amount and the nature of assistance available to low-income families. This essay reviews four books about the experiences of low-income families in the twenty-first century: *$2.00 a Day: Living on Almost Nothing in America* by Kathryn J. Edin and H. Luke Shaefer; *Ain't No Trust: How Bosses, Boyfriends, and Bureaucrats Fail Low-Income Mothers and Why It Matters* by Judith Levine; *Invisible in Austin: Life and Labor in an American City* edited by Javier Auyero; and *It's Not Like I'm Poor: How Working Families Make Ends Meet in a Post-Welfare World* by Sarah Halpern-Meekin, Kathryn Edin, Laura Tach, and Jennifer Sykes. It concludes that the assistance available to low-income families often leaves them in a dire position and more research is needed into the experiences of children in these families.

INTRODUCTION

Major legislative changes in the 1990s, as well as ongoing labor market shifts, have greatly affected poor and low-income families well into the twenty-first century. In 1996, welfare was reformed and the Aid to Families with Dependent Children (AFDC) program, the nation's cash entitlement program for poor families, was replaced with Temporary Assistance for Needy Families (TANF), a time-limited, work-based program. AFDC provided benefits to just under 80 percent of poor families with children right before welfare was reformed in 1996, but TANF caseloads shrank to the point of only covering 27 percent of poor families in 2010 (Trisi and Pavetti 2012). The Earned Income Tax Credit (EITC), a refundable credit for low- and moderate-income working families, was dramatically expanded in the late 1990s, offering lower-wage working families with children, particularly those headed by single parents, a significant income boost after filing taxes. Without any other earnings, a poor single mother with three children living

Social Service Review (March 2016). 0037-7961/2016/9001-0005$10.00

in the median state would only receive about $5,000 a year from TANF. If she worked full-time, full-year at the federal minimum wage, she would earn about $15,000 and she would also receive an EITC benefit of about $6,200 (author's calculation), which is larger than what she could receive on TANF.

Of course the actual circumstances of low-income families are much more complex than a hypothetical example might illustrate, and their experiences in the labor market and in public benefits offices (if families even go there at all) might mean that their earnings are not stable, may not even be at the minimum wage, and might not be replaced by TANF when their jobs are lost. The four books reviewed in this essay—*$2.00 a Day: Living on Almost Nothing in America* by Kathryn J. Edin and H. Luke Shaefer (Houghton Mifflin Harcourt, 2015), *Ain't No Trust: How Bosses, Boyfriends, and Bureaucrats Fail Low-Income Mothers and Why It Matters* by Judith Levine (University of California Press, 2013), *Invisible in Austin: Life and Labor in an American City* edited by Javier Auyero (University of Texas Press, 2015), and *It's Not Like I'm Poor: How Working Families Make Ends Meet in a Post-Welfare World* by Sarah Halpern-Meekin, Kathryn Edin, Laura Tach, and Jennifer Sykes (University of California Press, 2015)—both directly and indirectly address how policies like welfare reform and the EITC expansions have played out almost 20 years later for real families across the country. Welfare reform and the EITC, however, are just part of a broader set of neoliberal policies that, as Javier Auyero points out in the introduction to *Invisible in Austin,* have limited the amount of help available to those in need. Those living in or near poverty "are experiencing the consequences of lack of living wages, stable employment, educational access, health insurance, . . . housing and unemployment assistance," leading to what he calls "socially produced forms of suffering" (15). The stories of suffering are particularly profound in *$2.00 a Day* and *Invisible in Austin,* both of which describe families who are homeless and often lacking enough food to eat. But even families who do not experience significant material hardships still find themselves not able to get ahead, which is perhaps a form of social suffering in a country that promises that working hard will lead to upward mobility.

From a methodological standpoint, all four books use qualitative methods as their primary data source, although both *$2.00 A Day* and *Ain't No Trust* feature analyses of survey data. Each book focuses on a somewhat different population: EITC recipients in *It's Not Like I'm Poor,* current and

former welfare recipients in *Ain't No Trust,* families living on almost no cash in *$2.00 a Day,* and low-wage workers living and laboring in an affluent city in *Invisible in Austin.* Despite their different emphases, these books profile individuals and families who share common concerns, such as the difficulties of surviving on a low-paying job and the challenges of accessing welfare in a post-reform world. However, the real strength of these books comes from the understanding they provide of what it is like to deal with these challenges on a day-to-day basis and how the neoliberal regime shapes the outlooks and world views of those at the bottom of the income distribution. This is an aspect of well-being that is sometimes overlooked in studies of people living in poverty.

THE PROMISE OF THE EITC FOR FAMILIES

The Halpern-Meekin, Edin, Tach, and Sykes book, *It's Not Like I'm Poor,* perhaps offers the most positive outlook in terms of family well-being. The authors interviewed 115 families who claimed substantial EITC payments, averaging $4,600 per family in 2007. The authors do not provide information on the household poverty status of these families, but on average families earned just under $23,000 a year, and 38 percent earned more than $25,000 a year. Unless a single mother had four children, that level of earnings would not make the family poor, at least not according to the federal definition of poverty. However, sample members' earnings are low, although their EITC payments increase their gross earnings by about 20 percent. The EITC, the authors say, represents the new, work-based safety net, with H&R Block serving as the symbolic new welfare office.

It is not just the income boost the EITC provides that is important, the authors argue, but also the psychological benefits. Families report that receiving the EITC is like winning the lottery and that it provides them with a sense of relief in the months following its receipt since they feel as if they have more of a financial cushion. Parents also hope to save or set aside EITC money to treat their children. However, those plans are often not realized because of the reality that earnings from low-wage jobs are not enough to cover monthly expenses. As a result, families are frequently behind on bills and in debt. Their EITC payments can help erase some or all of that debt, which can be a huge financial relief, but without higher wages families are doomed to repeat the cycle the following year. In this sense, the EITC is

operating less like an income boost and more like a gap-filler. Moreover, needing to pay down debt and keeping up with regular expenses significantly limit any effect the EITC might have on building up families' savings and helping them achieve their financial dreams. Nevertheless, as the authors note, "These dreams remain a source of hope for even the most financially strapped families. In this way [the EITC] may keep families psychologically afloat while they struggle to make it [until tax time]" (99).

The last chapter of the book provides a fairly detailed set of proposals to build on what the authors call "the promise of the EITC" (182). These include proposals to increase wages as well as to allow families to receive advance payments of the EITC so that money could be received when most needed. But the authors caution that the EITC can only serve its function when there is work. During periods of economic slowdowns, such as the one that occurred shortly after the authors completed their field work, the EITC cannot help those who are out of work long term. Given this, is the EITC really a safety net program? Does billing it as such, rather than as a refund similar to the mortgage interest deduction, risk overstating the role it actually plays in helping the most vulnerable? This may be a fairly minor question, but we need to be clear that our safety net as it is currently structured is not really providing help to those who may need it the most.

DISTRUST EXPERIENCED BY LOW-INCOME MOTHERS

Judith Levine's book *Ain't No Trust*, while also focusing on women who work in the low-wage labor market, does not discuss the role of the EITC in mitigating any financial or other challenges faced by single mothers (the EITC is only referenced once in the entire book). Levine interviewed 95 poor single mothers, just under a quarter of whom were interviewed just prior to welfare reform with the remainder interviewed in 2004 and 2005. What looms large in the women's narratives is trust, or more appropriately distrust. Levine uses the concept of trust and the associated literature as her analytical tool. As an example, using the lens of trust to answer the question, "Why do women quit jobs?" she is able to demonstrate that women do not trust that their employers have workers' best interests in mind. When a conflict arises, women may quit the job rather than attempt to resolve the problem since they lack trust in their bosses. Levine argues that

these women have very little control over many aspects of their lives, including their jobs, but they do have control over their own dignity. Quitting may allow them to retain some of that dignity, even if it means a loss of income.

This distrust pervades other aspects of women's lives. They lack trust in child-care providers to properly care for their children, they do not trust welfare caseworkers to correctly process their cases and give them access to resources, and they distrust men, who have shown themselves to be unreliable at best and abusive at worst. Levine argues that researchers and policy makers need to pay more attention to the issue of trust because "Trust allows people to act in the face of uncertainty and to access the opportunities provided by taking risks. Distrust blocks opportunity" (208). But in order for low-income women to be able to exercise trust, the actors and institutions with which they interact need to be trustworthy. In the current era, women have no reason to trust employers who view them as disposable workers or welfare caseworkers who see them as nuisances to get off of the rolls. In order for women to trust, Levine argues, these institutions need to change. The author, however, offers little in the way of concrete suggestions for how this might occur.

THE LOW-INCOME FAMILIES WHO ARE LEFT BEHIND

$2.00 A Day and *Invisible in Austin,* in some ways, pick up where the previous two books leave off. *$2.00 A Day* shines a light on the small yet growing number of families who are subsisting on less than $2.00 per person per day, a measure of poverty that is primarily used in developing countries. Some families described in the book used food stamps, but most believed that cash welfare no longer existed, and a few did not even know what TANF is. Both the families living on $2.00 a day and the individuals profiled in *Invisible in Austin* have been left behind by shifts in the labor market and social policy. These are people who are trying to stay below the radar because they may be undocumented immigrants or because their housing arrangements may be illegal (Clarissa from Austin, for example, stayed in the storage unit that contained her possessions several times after being evicted). They make ends meet by selling plasma, by working in the underground economy of stripping and escort services, and by doubling up with friends and family members, which may produce stressful and unsafe conditions, particularly for women and children.

These are some of the poorest and most invisible Americans. The experiences of hardship documented in these two books are much more dramatic than those highlighted in *It's Not Like I'm Poor* and *Ain't No Trust*. Yet, the adults profiled in *$2.00 A Day* and *Invisible in Austin* have ties to the labor market. Some of these people may have frayed and tenuous ties, but others, like Kumar the Austin cab driver, work regularly, albeit often in deplorable conditions. Evidence about why workers should be distrustful of their employers is in full display. Rae, one of the fastest cashiers at her local Walmart (and twice named "cashier of the month") was quickly dismissed from her job when her car would not start one day. She was given no opportunity to find an alternative way in and no second chance.

Particularly poignant and troubling are the stories that emerge from Edin and Shaefer's trip to the Mississippi Delta, an area of the country that has not been the subject of much contemporary poverty research, despite high levels of poverty in the Deep South. *It's Not Like I'm Poor* and *Ain't No Trust* are both situated in major metropolitan areas in the Northeast and Midwest (Boston and Chicago) that have been the location of many other studies of low-income families. Austin is in the South, but it is an atypical city as it is both the state capital and a relatively wealthy college town. In the Delta, the formal economy has given way to a shadow economy, segregation still exists, and a meager safety net provides little to some of the most desperately poor families in the country; the authors call Mississippi a "world apart" (129).

$2.00 a Day was written with a broad audience in mind, and Edin and Shaefer do an admirable job of explaining welfare reform, social benefit programs, and labor market changes in an engaging and easy-to-understand way. The stories of the struggles faced by the families they interviewed are vivid and heart wrenching, yet, like the stories in all of the books, they offer a balanced portrayal, acknowledging that people did not always make the soundest of decisions while also explaining the motives and thought processes behind these decisions, many of which are structurally limited. *Invisible in Austin* perhaps suffers from a lack of a tightly focused purpose: a stated goal of the project was to "examine, up close, the intersection of biography and history . . . at a particular moment in time" for those living at the bottom rungs of the socioeconomic ladder (5). This is an enormous task, and the individual chapters, each profiling a different person, are quite descriptive with limited analysis. However, the project itself had very organic origins, as it is the result of repeated meetings between graduate students

and the book's editor, and the description of the process they used to design their study will be extremely useful to those who do or who want to do qualitative work.

CONCLUSION

These books provide a mixed-view portrait of the lives of low-income families who live under the regime of a work-based safety net, although the positive experiences are far outweighed by the negatives. Families derive significant financial benefits from the EITC, which can boost their incomes by thousands of dollars. But while the EITC allows them to dig out of a hole created by unpaid bills, their low wages do not cover expenses. Thus, the EITC patches holes in families' budgets but does not allow them to save for the future. Neither the expansion of the EITC nor welfare reform did anything to change the conditions of the low-wage labor market, so workers, including former welfare recipients, labor under conditions that leave them with little power. This lack of power is present in other relationships, including those with child-care providers, the welfare system, and boyfriends and former partners, and it breeds a great deal of distrust. The inability to trust, in turn, may keep individuals from taking chances that are necessary for upward mobility. Finally, the move toward a work-based safety net has in fact eroded the actual safety net piece of this institution. The families who are left behind, including those who lose jobs and cannot access public benefits and those without proper documentation, experience a great deal of hardship. And the word *hardship* may not even fully capture the extent of distress and trauma experienced by these families.

While it is not at all a shortcoming of any of these books, I noted that one set of actors largely missing from these stories is the children. From a research design perspective, interviewing children is difficult, as there are ethical considerations around the ability to consent and children may lack the cognitive capacity to fully articulate their thoughts and experiences. But perhaps a next round of studies could take on this task and ask how children understand what the EITC does for their families, how children experience their mothers' challenges at work and their dealings with the welfare office, and what these perceptions tell us about the effects of the low-wage labor market and the shrunken safety net on children. *$2.00 a Day* provides some of this perspective, and it is quite grim. Children are sexually abused when families double up, and Tabitha, a girl from the Delta, when asked what it is

like to be hungry because the family has no money, says, "It feel like you want to be dead" (149). Policy makers may not be moved to make changes based on studies of adults, but it is more difficult to ignore the plight of children under the current regime.

NOTE

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Book Reviews

Fast Policy: Experimental Statecraft at the Thresholds of Neoliberalism. By Jamie Peck and Nik Theodore. Minneapolis: University of Minnesota Press, 2015. Pp. 328. $105.00 (cloth); $30.00 (paper).

In its more metaphorical uses, the word *fast* is rarely a compliment. The great virtue of Jamie Peck and Nik Theodore's writing in *Fast Policy* is that they turn that adjective into something more than just an insult. Peck and Theodore have long served as mordant critics of certain policy trends that seem to leap breathlessly across borders, like welfare-to-work programs (Jamie Peck, *Workfare States* [New York: Guilford, 2001]) and the privatization of cities (Jamie Peck, Nik Theodore, and Neil Brenner, "Neoliberal Urbanism Redux?" *International Journal of Urban and Regional Research* 37, no. 3 [2013]: 1091–99). One might open their new book with the assumption that they would deem fast policy to be bad policy. The story, however, turns out to be more complicated than that. This is because, as the authors take pains to show, every time a policy is reassembled somewhere new, there arises a chance that it will get remade somewhat differently, maybe even (sometimes) better.

The book's contribution makes a special kind of sense when set in the context of the larger dialogue that Peck and Theodore have sustained about the vagaries of neoliberalism. *Neoliberalism* refers to the pro-market ideology of governance often associated with Augusto Pinochet, Ronald Reagan, and Margaret Thatcher, an ideology that differs from both what Neil Brenner, Jamie Peck, and Nik Theodore term the *classical liberalism* of Adam Smith and the *(new) liberalism* of progressives and the US New Deal (Neil Brenner, Jamie Peck, and Nik Theodore, "Variegated Neoliberalization: Geographies, Modalities, Pathways," *Global Networks* 10, no. 2 [2010]: 182–222). For nearly 2 decades, Peck and Theodore have offered a tireless critique of neoliberalism. In recent years, this has required them to provide a simultaneous defense of the analytic utility of the term *neoliberalism* itself, since the word has come under attack for being excessively vague or, alterna-

tively, for referring to a period that ended with the Great Recession of 2008 (see Brenner et al. 2010). Peck and Theodore argue that neoliberalism continues to matter today. They contend that it matters most when we understand it as *variegated neoliberalization*, "neoliberal*ization*" because the proper object of analysis here is not an idea but rather a social process of becoming more market-oriented, and "variegated" because this process unfolds through the systematic creation of inequalities and differences between the varied parts of the globe.

In *Fast Policy*, Peck and Theodore set out to study just such a variegated process as it takes place at the hotspots where policy makers connect. The authors look, in other words, at the emergence of local policy differences inside a single market-driven global context. They set out to examine what they call *policy mobility*, or the process through which policy makers in one location come to mimic or mirror a policy from somewhere else. Peck and Theodore investigate policy mobility by themselves becoming mobile, adopting what they refer to as the *distended case method*. They skip across continents to follow the trails of two key peripatetic policies: conditional cash transfers (CCTs; chaps. 3–5) and participatory budgeting (PB; chaps. 6–8). Peck and Theodore take up temporary residence in the board rooms, ministry offices, and conference hallways where particular programs get converted into whispers, chit-chat, models, proposals, and then, finally, new programs at some other location.

From this vantage point, Peck and Theodore offer several specific conclusions for the literature on policy transfer. First, they argue that policies are never transferred whole. For example, Madrid did not replicate Porto Alegre's PB, but instead reconstituted it inside a context that entirely changed the policy's meaning. Second, policy exchange always takes place through a specific network—a chain of staffers who know each other, reports that mayors skim, and advisors who gain acceptance as authorities. The shape of this network has important effects on the transmission of some ideas (and the nontransmission of others). The international network, in other words, is itself a kind of specific parochial location, so scholars need to attend to "the social embeddedness of policy mobility" (xvii). Third, it is this (parochial) network that makes policy appear to travel quickly.

As Peck and Theodore lay out the second and third conclusions, they make the book's most incisive arguments. When the channels of policy exchange are dense and well traveled, then policies may seem to become fast, cropping up rapidly in one place and then in another. But Peck and

Theodore insist that fast policy, in the deeper sense, is not really about the clock time that elapses between the start of an initiative in Mexico and the adoption of a similarly named initiative in Jamaica. Fast policy is what happens when policy makers become more and more attuned to the same network, allowing the network to create its own sense of time, its own chronology to determine which policies count as novel and which already seem outdated.

And therein lies the danger. Peck and Theodore worry that policy leaders become primarily accountable to each other, collaborating under the guise of apolitical objectivity but actually achieving a form of technical rule-by-elites. "Fast policy remains an inescapably political process," the authors argue, "and indeed even a social condition, but some of its strongest currents have been marked by a kind of networked technopolitics that is largely disconnected from democratic deliberation and popular control" (xxxii). Even worse, leaders may become accountable to the policy models themselves. Policy makers may grow fascinated with (market-driven) interventions and results that get ossified into models and come to be the focus of attention, taking the place of attention to citizen constituencies. These models are advertised across borders as "ideas that work." The phrase is an apt one: the very notion that ideas can be determined by experts to "work," independent of local context and uptake, serves as the symptom of a characteristic distancing from the democratic base.

Peck and Theodore are at their most daring when they analyze this "exaggerated deference to global best practices and models" (224), associating it with a tendency that they refer to as "experimentality" (141). In the experimental regime, policy change is imagined as a matter of testable modifications, hence of minor change at the margins rather than of deep change in institutions. Policy makers privilege randomized controlled trials (RCTs), assuming that these trials are capable of identifying discrete interventions that can be simply transported from one context to another. (Peck and Theodore here cite Reddy's excellent rebuttal of the RCT approach: "Randomize This! On Poor Economics," *Review of Agrarian Studies* 2 [2012]: 60–73.) Experimentality smuggles in an inevitably self-limiting posture of acquiescence: in an experiment, only one variable is allowed to vary, and hence every other variable is by necessity held the same, foreclosing on the possibility of complex systemic change.

When the book returns to its first argument, that policies change as they travel, Peck and Theodore begin to demonstrate just how easily experimen-

tality can fall apart. Real-world results never correspond to RCT data. The imitation invariably looks different from the model, and often it looks better and is more attuned to local needs. For this reason, the book's middle chapters on the implementation of conditional cash transfers (CCTs) and participatory budgeting (PB) ring with a surprising, messy optimism. Neoliberalism, it turns out, does not always carry the day (at least not in a direct sense.)

As they dive into the middle chapters, Peck and Theodore set up an overarching contrast between the trajectories of their two focal policies, CCTs and PB. CCTs are programs that give out monthly cash to women in poverty if their children attend school and comply with other conditions. In the mid-1990s, these interventions were advertised (paradigmatically, in Mexico) as a monitored, limited stimulus designed to grow human capital. When Brazil's left-wing government implemented the CCT model in 2003, however, the resulting Bolsa Família program had an entirely different complexion. Bolsa Família's planners downplayed the enforcement of conditions. They made it easier for beneficiaries to sign up. They talked about emancipatory social rights. Most of all, they massively expanded the proportion of the population eligible for the benefit. CCTs, in other words, made the crossover from conservative managerialism to a strikingly redistributive and progressive posture.

With PB, the story runs in the opposite direction. PB arose in the late 1980s as a governing practice that allowed city residents directly to determine the allocation of a portion of the municipal budget. In its initial incarnation, PB involved an elaborate system of participatory meetings in which citizens organized themselves and demanded social rights from the city government. Soon, however, international development agencies converted the vision into a model. Municipalities implemented it as just another budgeting technique, discouraging participants from challenging the tax system or the limits on the budget from the revenue side, refusing to countenance any structural changes in the governing process. Separated from its original political context, PB found a home in conservative and even anti-democratic settings. PB was eventually proposed, ironically enough, as an intervention to encourage residents to accept and help manage the cuts associated with austerity measures imposed by city governments.

Herein lies the book's moral. On the one hand, CCTs began as human capital programs but became tools for broad-based redistribution. On the other hand, PB started off as a forum for progressive direct democracy but

turned into an apolitical management strategy. As policies travel, policies change.

While narrating this contorted movement, Peck and Theodore provide some delightful details. For example, how many readers knew that PB is being attempted in China? Or that the International Labour Office is currently estimating that it would cost less than 2 percent of global GDP to provide basic social security to everyone who is poor in the world?[1] Or that government economist Santiago Levy quietly funneled the early evaluation results from Mexico's CCT to Vincente Fox, the opposition candidate for president?[2]

As the book tracks the wacky truths about contemporary policy, however, a certain analytic blind spot comes to the fore. Peck and Theodore are focused on policy mobility and policy makers, which sometimes makes it difficult for them to gain a view into the ultimately inseparable question of policy outcomes. Readers learn little about how PB works or about how, from the perspective of municipal citizens, the PB process looks different when implemented under differing regimes.

The chapters on CCTs are marked by a similar absence. Peck and Theodore express great interest in the debate over whether it is inhumane and counterproductive to require CCT recipients to comply with conditions (usually schooling and vaccines for children). This conversation, however, may blind Peck and Theodore to a more important point. In Brazil, to take only one example, researchers have found women recipients who avidly endorse the national CCT program, conditions and all (see Flávia Ferreira Pires, "Do ponto de vista das crianças: Os efeitos do Programa Bolsa Família no semi-árido nordestino," 28 Congresso Internacional da Associação Latino-Americana de Sociologia, Recife, September 6–11, 2011; also see Walquiria Leão Rego and Alessandro Pinzani, *Vozes do Bolsa Família: Autonomia, Dinheiro, e Cidadania* [São Paulo: Editora UNESP, 2013]). These recipients do not worry about the conditions but rather about their own access to the program. CCTs are plagued by access problems: enrollment caps that lead to lengthy wait lists, arbitrary cutoffs caused by administrative

1. See page 3 of "Can Low-Income Countries Afford Basic Social Security?" Social Security Policy Briefings, Paper 3, International Labour Organization, Social Security Department, Geneva, Switzerland, 2008.

2. Peck and Theodore tell this tale on page 74. Levy's goal was to insure that if Fox won, the program would survive.

error, dense paperwork requirements, and above all the insidious and pervasive fear that a program may end at any time. Such problems ultimately derive from the fact that CCTs are not entitlements but social programs. Eligible citizens can apply for the money, but even if they are ready to fulfill the conditions, they have no legal guarantee that they can count on the cash. On a day-to-day basis, the peculiar nonentitlement nature of the CCT may matter more than the debate over conditions.[3] Like microcredit in Bangladesh, CCTs in Latin America have come to serve as quasi-universal nonentitlements, and this policy feature has indeed proven to be surprisingly mobile across borders. Such a feature, however, only becomes visible through an assessment of program outcomes. Peck and Theodore's analysis, which focuses largely on program planning, has difficulty seeing this kind of issue.

All in all, *Fast Policy* marks an interesting new step in the research trajectory that Peck and Theodore have shared for years. Because their writing style in this text is occasionally repetitive, readers may be well advised, especially when assigning in the classroom, to focus on the highlights. Chapter 1 will be of interest to scholars who are concerned with differing theories of policy transfer. The book's most compelling moments come from the rich details in the empirical chapters, especially chapters 3 and 4, and from the conclusion, which effectively summarizes the major messages. Perhaps the most important of these is that policy, like other forms of performance, needs constantly to be recreated and that each moment of recreation, no matter how fast, no matter how networked, generates the risk and the hope that everything might become different.

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3. For a more detailed version of this argument, see Gregory Duff Morton, "Protest before the Protests: The Unheard Politics of a Welfare Panic in Brazil," *Anthropological Quarterly* 87, no. 3 (2014): 925–33, and "Managing Transience: Bolsa Família and Its Subjects in an MST Landless Settlement," *Journal of Peasant Studies* 42, no. 6 (2015): 1283–1305.

Fostering on the Farm: Child Placement in the Rural Midwest. By Megan Birk. Champaign: University of Illinois Press, 2015. Pp. 256. $55.00 (cloth).

As a solid body of historical child welfare scholarship illustrates,[1] a series of complex historical forces gave rise to the contemporary American consensus that children separated from their families of origin are best cared for in substitute, family-like settings. A host of transformations and tensions in American society, such as the shift from an agricultural economy to an industrial economy, the accompanying revaluation of children from economic assets to emotional assets within their families, a federalist governance structure, the strength of civic life and the voluntary sector, the trajectory of women's state activism, and changing labor market needs and immigration dynamics, collectively underscore the birth of our modern foster care system and its valiant, if sometimes imperfect, attempts to protect the interests of our youngest and most vulnerable citizens.

Megan Birk's recent work *Fostering on the Farm: Child Placement in the Rural Midwest* joins the chorus of scholarly voices examining the evolution of US child welfare provision and out-of-home care. Birk fixes her gaze on a major but underresearched juncture in child welfare history, the rise and eventual decline of farm placements. She contends that farm placements served as a bridge between the institutional care model of the nineteenth century and the paid urban and suburban foster home ideal that took hold in the Progressive Era. Birk argues that extant scholarship on farm placements overemphasizes the power of East Coast emigration groups, such as Charles Loring Brace's celebrated Children's Aid Society, and that it fails to appreciate the transformative role of regional Midwestern organizations in shaping national dialogue around child welfare policy. A major aim of her work is to grant the underappreciated Midwest—Illinois, Indiana, Ohio, Michigan, and Wisconsin—its rightful place in American child welfare history.

Birk draws on an immense and impressive array of historical sources, ranging from archival records of individual county institutions and volun-

1. See, e.g., Matthew Crenson, *Building the Invisible Orphanage: A Prehistory of the American Welfare System* (Cambridge, MA: Harvard University Press, 1998); Linda Gordon, *The Great Arizona Orphan Abduction* (Cambridge, MA: Harvard University Press, 1999); Marilyn Holt, *The Orphan Trains: Placing Out in America* (Lincoln: University of Nebraska Press, 1992); and Jessie Ramey, *Childcare in Black and White: Working Parents and the History of Orphanages* (Urbana: University of Illinois Press, 1992).

tary sector children's homes to state and federal reports and articles from the popular press, to examine the history of farm placements from multiple vantage points. She begins her analysis in the context of late nineteenth-century child savers' embrace of the rural ideal, or a belief in the superiority of rural America over its growing industrial, urban centers. Greater family and community controls and the industriousness that characterized farm life were thought to provide dependent children with important lessons in self-sufficiency and moral and social rejuvenation. Moreover, the farm family, which had long been the site of informal and formal indentureships for dependent Midwestern children, solved a growing problem for child welfare officials, as local institutions simultaneously faced critiques of their practices and growing numbers of dependent children in need of care. Farm placement, which incurred little cost as board was free and homes were seemingly abundant, provided a practical and ostensibly desirable solution.

Using accounts from early workers charged with placing children, farm parents, and children who were placed on farms themselves, Birk takes her reader inside the farm placement and examines the perilous, neglectful, and potentially abusive conditions that characterized some farm homes and that soon served as the source of reformers' ferment. Here her historical investigation uncovers the instability that marked children's lives as they frequently moved between multiple placements. Birk uses institutional records and children's correspondence with workers to further document children's own responses to farm placements. Some children resisted the labor-intensive farm life and ran away, while others felt a sense of belonging and satisfaction on the farm.

The second half of Birk's narrative chronicles the expanding oversight of farm placements that eventually forced a rethinking of their use. While it varied among jurisdictions, this development began in the late nineteenth century at the local and county levels with boards of charities staffed by representatives of public and voluntary entities, and it culminated in larger state-level consolidations of administrative and regulatory power during the Progressive Era. State leadership provided more funds for staff to supervise placements with greater frequency and intensity, and this in turn further exposed the ills associated with farm placements, including the challenges of managing homes in isolated and remote locations. A Progressive Era family preservation ethos, codified by some states' adoption of mother pensions to support dependent children in their own homes, alongside successful campaigns opposing child labor, also contributed to the delegitimization of

the labor-intensive family farm as a suitable alternative for needy children. Birk posits that reformers' critiques of farm placements paralleled broader concerns about farm life that emanated from outside of child-saving quarters. Birk explores the work of the federal Country Life Commission, which was convened by Theodore Roosevelt and charged with examining problems affecting rural communities. The commission highlighted issues of economic destabilization, material and educational disadvantage, and a loss of social and cultural capital in rural settings. The decline of the farm placement, according to Birk, signaled the decline of rural American life more broadly.

Birk fulfills her major aim in substantiating the role of Midwestern child welfare entities in the march from institutionalized child care to formalized, paid urban and suburban foster homes. Yet the great strength of Birk's work lies in her method or her expressed commitment to "social welfare history at the grassroots level" (Kenneth Cmiel, quoted in Birk, 3). Birk's book combines social and policy history, as the best works of social welfare history do, and it weaves the disparate stories of policy makers and advocates, volunteers and staff, and families and children across a variety of settings and periods into an organic whole. This is no easy task given the depth of research and synthesis required, but the result is a rich historical case that illustrates the complex, interlocking, and multitiered mechanisms of social change. However, despite her methodological ingenuity, like most historians, Birk grants little time to explicitly discussing her methodology. This is a great loss, as her methodological approach can inform both historical and contemporary policy studies.

The book is also frustrating for the reader when it fails to recognize the contemporary significance of other serendipitous findings. For instance, Birk illustrates how calls for reform to farm placement were not simply a matter of outside agitation by state, federal, or urban actors but also emerged from within the local Midwestern entities charged with locating and managing the placements. This has potential implications for considering the larger dynamics of managing policy reform, yet Birk does not take up this conversation. Similarly, Birk documents how the instability of farm placements and the frequent transfer of children between homes foreshadowed one of the greatest failures of twentieth-century foster care, yet she does not acknowledge the prescience of her findings nor does she relate them in any substantive way to contemporary policy and practice efforts aimed at

promoting child permanency. Social welfare history at its most meaningful should use the investigation of the past to speak to the present and the future. It is unclear if Birk is simply modest or cautious, but her inability to fully consider the implications of her work for twenty-first-century reform and twenty-first-century childhood leaves the reader, after such a rich text, wanting more.

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The Hero's Fight: African Americans in West Baltimore and the Shadow of the State. By Patricia Fernández-Kelly. Princeton, NJ: Princeton University Press, 2015. Pp. 440. $35.00 (cloth).

On the 112th anniversary of W.E.B. Du Bois's masterwork *The Souls of Black Folk* (Oxford: Oxford University Press, 1903), Baltimore was on fire as hundreds of people took to the streets to protest after a young black man, Freddie Gray, entered into a coma and eventually died as a result of injuries he sustained from being thrown into the back of a police van with his hands cuffed and driven around by police in a deliberately violent manner. On April 19, 2015, Gray, age 25, died after sustaining a severe spinal injury following his arrest by police. As Du Bois's classic predicted, this racial injustice caused black folks to acutely feel their "twoness—as an American, and a Negro; two souls, two thoughts; two unreconciled strivings" (Du Bois 1903, 4). In *The Hero's Fight: African Americans in West Baltimore and the Shadow of the State,* Patricia Fernández-Kelly offers a rich and expansive portrayal of black life that demonstrates how place and the state prominently figure in the lives of black Americans, especially those who are urban and poor. Although the 2015 Baltimore protests brought the city into the national headlines, Fernández-Kelly's account provides much-needed context, bringing a keen ethnographic sensibility and sociological attention to the interactions between black residents and governmental systems and bodies aimed at poverty and incarceration.

When *The Souls of Black Folk* was published, nearly all black Americans lived in the South, mainly in rural areas. Soon after, however, the Great Migration reshaped the American landscape. Black folk from the rural South sought better lives in urban areas across the country, arriving to urban Amer-

ica en masse in cities such as Memphis, Chicago, Detroit, New York City, Philadelphia, Seattle, and Los Angeles. Like these other cities, Baltimore experienced huge increases in its black population at this time. As the black population of cities like Baltimore exploded, economic opportunities waned. Throughout the latter half of the twentieth century, the toxic combination of white flight, deindustrialization, mass incarceration, and urban renewal (now commonly thought of as Negro removal) impeded residents in "chocolate" cities like Baltimore from thriving.

This context of migration, rising and declining economic fortunes, and increased urban poverty animates the biographies, misfortunes, and successes of black families across West Baltimore that are captured in *The Hero's Fight*. Specifically, the book uses the biographies of black residents to examine the successes and failures of government intervention. The book does not offer its critique from the conservative position but rather seeks to "reopen a long overdue project—a progressive critique of the American State," calling for "a more aggressive defense of liberal principles and a more trenchant review of existing government programs" (4). Fernández-Kelly persuasively argues that "state omnipresence has thus become a key factor eroding the capacity of inner-city residents to mobilize resources and create alternative means of subsistence or defense" (115).

To illustrate the mechanics, origins, and consequences of this oversaturation of governmental bodies in poor, urban, and minority neighborhoods, Fernández-Kelly offers the idea of *distorted engagement*: "conditions in which government agencies designed to address the problems of poverty supplant and transform normative exchanges in the economic, social, and symbolic realms" (115). With this analytic term in tow, the book seeks to demonstrate how programs and policies targeting poverty explicitly and inadvertently make life more difficult. These government agencies are revealed in the book as causing a reiterated, one-sided, and perpetual interaction between residents and poverty policies and programs.

To illustrate how this works, we learn of the roles of what the author refers to as *liminal institutions*—agencies and organizations such as "prisons, welfare offices, public schools, rehabilitative centers, providers of subsidized housing" (116). Across paired chapters, such institutions are contrasted with the idea of mainstream institutions. Unfortunately, the contrast between what the author would deem liminal institutions and mainstream institutions is not made especially clear in the book, and it would seem that even

the assumed difference between liminal and mainstream institutions is often a matter of influence and perception. That these institutions take on the role of morality police across black communities, however, is the more critically important observation emerging from this analytic contrast between liminal and mainstream institutions.

We learn, for example, that Children's Protection Services (CPS) often plays a cruel and overdetermined role in the lives of black Baltimoreans, distorting the mission of the agency from one of economic and legal support for families and children to one of surveillance. We learn, for example, about Little Floyd Twigg, a young, queer, black Baltimorean whose path was fundamentally altered by sexual assault and CPS. Struggling with poverty and housing, "in the winter of 1987, Little Floyd was separated from his older siblings and declared a child in need of assistance" by CPS (137). Following the separation, he and his siblings would never live in the same home again. Despite this action by CPS, several years later his father was able to gain custody, only to have tragedy and disruption strike again. An adult neighbor sexually abused Little Floyd, and, after his aunt and father reported the matter to the appropriate authorities, he was removed from the family home and placed into foster care yet again.

Examples in the book also show how interactions between black mothers and CPS and welfare offices often produce little in the way of positive results for the families, instead yielding a distorted citizen-government relationship focused on targeting, identifying, and eliminating moral failings. We hear the perspectives of young black women like Towanda Forrest and Clarise Twigg, both of whom became young mothers and whose hopeful paths dimmed as governmental systems of help provided less than what was needed or required for them to thrive and survive in Baltimore. Having known them and followed them for over a decade, Fernández-Kelly is able to show through interviews and observations how experiences of bullying and poverty led them to make adult choices that had lasting consequences.

Although the ideas of distorted engagement and government overreach may be complicated, Fernández-Kelly nicely elucidates them through the use of the personal biographies of black residents in West Baltimore. These biographies are drawn from events over the lives of residents and are diverse in their intersections, crossing lines of race, class, gender, sexuality, and education. This longitudinal feature to the data should not go unnoticed. Indeed, by gathering and drawing on data from 50 West Baltimore families over

more than a decade, Fernández-Kelly's text allows the reader the unique and generative opportunity to follow urban black residents from adolescence through adulthood.

In each case, the personal is then linked to the broader local, state, national, and global economic and political context. These are not merely stories. They are intimate details of the complicated lives poor, urban, and black residents are compelled to lead, especially as mobility opportunities have become even harder to come by in a post-industrial service-sector American economy.

On April 27, 2015, the day of Freddie Gray's funeral, the world watched as Baltimore's black youth protested in order to change their city and the public's awareness of the problems plaguing black communities near and far. Thanks to Fernández-Kelly, we have a resource rich in the details of the everyday strivings and struggles in urban black America that likely precipitated and animated black Baltimore following Freddie Gray's untimely death. *The Hero's Fight* develops a historically informed and ethnographically robust sense of the troubled social, economic, and political waters urban black Americans face and navigate. Fernández-Kelly successfully illustrates how the potent combination of being black, American, and living in the urban places shapes the souls of black folk today. Well-written, rich in detail, and intersectional in its approach, *The Hero's Fight* is a wonderful addition to sociology, political science, anthropology, African American studies, and urban studies classrooms, debates, and scholarship.

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System Kids: Adolescent Mothers and the Politics of Regulation. By Lauren J. Silver. Chapel Hill: University of North Carolina Press, 2015. Pp. 210. $29.95 (paper).

Although rates of adolescent pregnancy and childbirth have declined to historic lows (see Brady E. Hamilton, Joyce A. Martin, Michelle J. K. Osterman, and Sally C. Curtin, "Births: Preliminary Data for 2014," *National Vital Statistics Reports* 64, no. 6 [2015], http://www.cdc.gov/nchs/data/nvsr/nvsr64/nvsr64_06.pdf), there are subgroups of adolescents who are at greater risk for unintended pregnancy and early parenting. Adolescents in foster care have increasingly become the focus of nationwide pregnancy prevention

efforts (see Heather D. Boonstra, "Teen Pregnancy among Young Women in Foster Care: A Primer," *Gutttmacher Policy Review* 14, no. 2 [2011], http://www.guttmacher.org/pubs/gpr/14/2/gpr140208.html; and Alison Stewart Ng and Kelleen Kaye, "Why It Matters: Teen Childbearing and Child Welfare," The National Campaign.org., May 2013, https://thenationalcampaign.org/resource/why-it-matters-teen-childbearing-and-child-welfare), as pregnancy and birth rates among this population are notably high and often are higher than rates among adolescents in the general population (see Amy Dworsky and Mark E. Courtney, "The Risk of Teenage Pregnancy among Transitioning Foster Youth," *Children and Youth Services Review* 32 [2010]: 1351–56, http://doi.org/10.1016/j.childyouth.2010.06.002; and Bryn King, Emily Putnam-Hornstein, Julie A. Cederbaum, and Barbara Needell, "A Cross-Sectional Examination of Birth Rates among Adolescent Girls in Foster Care," *Children and Youth Services Review* 36 [2014]: 179–86, http://doi.org/10.1016/j.childyouth.2013.11.007). Parenting has been associated with a number of challenges for both adolescent mothers and their children (see Jonathan D. Klein, "Adolescent Pregnancy: Current Trends and Issues," *Pediatrics* 116, no. 1 [2005]: 281–86, http://doi.org/10.1542/peds.2005-0999), but these difficulties are magnified by the social, emotional, and familial circumstances of adolescents involved in the child welfare system (see Amy Dworsky and Jan DeCoursey, "Pregnant and Parenting Foster Youth: Their Needs, Their Experiences," research report, Chapin Hall at the University of Chicago, 2009, http://www.chapinhall.org/research/report/pregnant-and-parenting-foster-youth-their-needs-their-experiences). In addition, the passage of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110–351) means that, in many states, births to teens in extended foster care may be a more common occurrence because the likelihood of early parenting increases with age and there will be an increasing number of older adolescents remaining in care (see Emily Putnam-Hornstein and Bryn King, "Cumulative Teen Birth Rates among Girls in Foster Care at Age 17: An Analysis of Linked Birth and Child Protection Records from California," *Child Abuse and Neglect* 38, no. 4 [2014]: 698–705, http://doi.org/10.1016/j.chiabu.2013.10.021). Appropriately addressing the needs of young mothers in foster care with their children will be critical for ensuring their short- and long-term health, safety, and well-being.

This larger context informs the glimpse that Lauren J. Silver's book *System Kids: Adolescent Mothers and the Politics of Regulation* provides into the complex and often fragmented world of young mothers involved in the child

welfare system. Silver conducted a 2-year ethnographic study of an urban Supervised Independent Living (SIL) program for adolescent mothers involved in the child welfare or juvenile justice systems. The SIL program provided semi-supervised apartments and case management services for mothers. The goal of Silver's study was to generate insight into the day-to-day experiences of these young families, the program's staff, and the bureaucratic mechanisms that both enabled and obstructed mothers' ability to successfully achieve the stated goals of the program. As a former staff member of the same SIL she studied, Silver occupied a position as a researcher-advocate, which provided her with substantial background information, increased credibility with clients and staff, and the ability to act as an advocate with selected SIL participants who were in the study. Feminist methodology and critical youth studies inform her approach to this study, which means that the intersectional effect of gender, race, class, sexuality, and age are central features of her analysis.

Silver begins by describing the work lives of case managers and other front-line staff in the SIL program. She argues that disconnection and inequity between staff members and the administration (including supervisors) compromised the quality of care that young mothers received. She describes how SIL program offices were dilapidated, dangerous, poorly resourced, and located in racially segregated, low-income, urban neighborhoods, while the larger agency's administration was in a professional office building in the suburbs. In addition, there were burdensome communication requirements and a host of regulatory and contractual agencies auditing the program's documentation and influencing decision making. These conditions left front-line staff questioning their legitimacy and professional identity, as well as feeling demoralized by the work they could not complete, misunderstood by their supervisors and the administration, disempowered in their roles, and fearful about their job security. Silver argues that this "compromised a general ethos of care" (47) and inhibited the program's ability to provide consistent support, supervision, and workable pathways to stability and success for its participants.

Silver contends that the structural disconnect and the working conditions for front-line SIL staff also helped to create semi-supervised spaces in which program participants met needs and program expectations in ways that contradicted program rules. Silver calls these spaces "familiar zones" (17) and describes how both staff and administration were aware of these transgressions but that their ability to consistently supervise and enforce

rules was constrained by programmatic and fiscal considerations. This selective supervision and rule enforcement also engendered opportunities for abusive relationships to flourish since, in some ways, the SIL program staff had abdicated its protective role in the lives of the mothers under their care. Relatedly, the apartment buildings that housed SIL apartments were rife with violence and illegal activity. Although the SIL administration and contractual agencies were aware of the dangers presented by these living situations, there was little recourse since funding and social support to relocate young, mostly black mothers to safer neighborhoods was nonexistent.

Although living and working environments for SIL participants and staff were precarious, Silver documents how mothers in the program believed that the program was critical to their survival and well-being. They were desperate to maintain their placements in the program despite the dangerous living conditions, inconsistent service delivery, and problematic relationships with staff. Silver's observations of both participants and staff during official negotiations (usually a potential discharge) lead her to assert that mothers in the program were forced into constructing identities that aligned with "shortsighted" (78) expectations of young women involved in the child welfare system. Participants simultaneously played the sometimes contradictory roles of deserving victims needing services and responsible adults capable of achieving self-sufficiency. Silver further argues that since the actual social and economic opportunities afforded by participation in the SIL program were quite limited, the latter performance was particularly problematic.

To illustrate the complexity of service navigation and identity management for these young mothers as they prepared for independence, or departure from the SIL program, Silver devotes chapter 5 to the story of Nyisha, a SIL participant who was fast approaching her twenty-first birthday when she would be automatically terminated from the SIL program and was attempting to move into public housing. At this juncture in the book, Silver's role as researcher-advocate is especially clear. Because Nyisha's case manager was unresponsive to her requests for help, Silver was called upon by circumstance and desire to advocate for and with Nyisha in her ultimately successful negotiations with the Public Housing Authority. At one point during these negotiations, in order to facilitate a transfer to a significantly safer housing assignment, Nyisha was forced to disclose that she had been raped. This example helps to illustrate key concepts from previous chapters, namely the inability of the program to adequately respond to the needs of

participants or prepare them for life after SIL services end and how a narrative of victimization could be a catalyst for getting critical needs met. Silver's analysis ends in chapter 6 with a description of the ways in which SIL participants resisted structural and programmatic marginalization, including engaging in direct challenges to policies or procedures through advocacy; rebellion and rule-breaking in familiar zones; collective resistance in group settings; silence and withdrawal; individual or community-level acts of caring, collectivity, and empathy; and, in one particularly heartbreaking story, an assault that led to criminal charges for the participant.

Throughout the text, Silver describes the creative strategies used by SIL participants and staff to traverse the bureaucratic boundaries of a fragmented service system and find ways to eke out successes in the face of multiple and complex challenges. The portrayal of these day-to-day negotiations is the absolute strength of Silver's book, illustrating the mismatch between expectations and reality for young people in foster care. Silver's perspective on the experiences and behaviors of SIL case managers is both empathetic and critical, which is important given the gravity of the compromises they are forced to make on a daily basis, and it lends credibility to her overall analysis of the program. Her observations and insights on the conditions on the front lines of this work are unique and invaluable to agency managers and policy makers. These are clearly not the intended outcomes of specially designated funding streams and policies for young parents in foster care, and yet, given the budgets allotted to such programs, anything else is wholly unrealistic.

In her conclusion and afterword, Silver levels a cautious critique of the child welfare system and its inability to deliver on its promise of safety, support, and the promotion of well-being. She offers an alternative vision, one in which the actual needs of young mothers in foster care are met under conditions much less characterized by social and structural inequity. While her critique is largely supported by her analysis and her alternative solution is laudable, both are somewhat limited in their understanding of the external conditions that drive actual child welfare policy and practices. For example, she problematizes the eligibility criteria and the level of funding for the SIL program during a time when there was no federal expectation or funding for states to provide care beyond age 18. The jurisdiction where the SIL program was located elected to provide these services, and while they were clearly overly restrictive and underfunded, there is acknowledgement of their necessity. This book would have benefited from a deeper analysis

of the undermining of the larger social safety net resulting in an increased responsibility of the child welfare system to be the first and sometimes only responder in meeting the emotional and material needs of vulnerable young people. Silver raises these points throughout her analysis and yet continues to hold agencies and systems accountable for making inequitable decisions in a context in which there are few legitimate choices.

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Brief Notices

NEW AND UPCOMING TITLES OF INTEREST TO SOCIAL WORK AND SOCIAL WELFARE SCHOLARS

$2.00 a Day: Living on Almost Nothing in America. By Kathryn J. Edin and H. Luke Shaefer. New York: Houghton Mifflin Harcourt, 2015. Pp. 240. $28.00 (cloth).

Advocacy Practice for Social Justice. 3rd ed. By Richard Hoefer. Chicago: Lyceum Books, 2016. Pp. 296. $43.95 (paper).

A Sister's Memories: The Life and Work of Grace Abbott from the Writings of Her Sister, Edith Abbott. Edited by John Sorensen. Chicago: University of Chicago Press, 2015. Pp. 376. $75.00 (cloth); $25.00 (paper).

Black Silent Majority: The Rockefeller Drug Laws and the Politics of Punishment. By Michael Javen Fortner. Cambridge, MA: Harvard University Press, 2015. Pp. 368. $29.95 (cloth).

Catching Capital: The Ethics of Tax Competition. By Peter Dietsch. New York: Oxford University Press, 2015. Pp. 280. $34.95 (cloth).

Children behind Bars: Why the Abuse of Child Imprisonment Must End. By Carolyne Willow. Bristol, UK: Policy Press, 2015. Pp. 256. $25.95 (paper).

Contentious Politics. 2nd ed. By Charles Tilly and Sidney Tarrow. New York: Oxford University Press, 2015. Pp. 288. $34.95 (paper).

Critical Issues in Child Welfare. 2nd ed. By Joan Foster Shireman. New York: Columbia University Press, 2015. Pp. 368. $75.00 (cloth).

Despite the Best Intentions: How Racial Inequality Thrives in Good Schools. By Amanda E. Lewis and John B. Diamond. New York: Oxford University Press, 2015. Pp. 272. $27.95 (cloth).

Disabled People, Work, and Welfare: Is Employment Really the Answer? Edited by Chris Grover and Linda Piggott. Bristol, UK: Policy Press, 2015. Pp. 256. $125.00 (cloth); $46.95 (paper).

Ensuring Inequality: The Structural Transformation of the African-American Family. By Donna L. Franklin and Angela D. James. New York: Oxford University Press, 2015. Pp. 272. $27.95 (paper).

Ghosts of Organizations Past: Communities of Organizations as Settings for Change. By Dan Ryan. Philadelphia: Temple University Press, 2015. Pp. 232. $94.50 (cloth); $25.95 (paper).

Invisible in Austin: Life and Labor in an American City. Edited by Javier Auyero. Austin: University of Texas Press, 2015. Pp. 279. $75.00 (cloth); $24.95 (paper).

Nonviolent Struggle: Theories, Strategies, and Dynamics. By Sharon Erickson Nepstad. New York: Oxford University Press, 2015. Pp. 264. $99.00 (cloth); $27.95 (paper).

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Rule by Aesthetics: World-Class City Making in Delhi. By D. Asher Ghertner. New York: Oxford University Press, 2015. Pp. 272. $99.00 (cloth); $24.95 (paper).

Social and Psychological Dimensions of Personal Debt and the Debt Industry. Edited by Serdar M. Değirmencioğlu and Carl Walker. London: Palgrave Macmillan, 2015. Pp. 304. $95.00 (cloth).

Social Welfare Policy: Responding to a Changing World. By John G. McNutt and Richard Hoefer. Chicago: Lyceum Books, 2016. Pp. 360. $69.96 (paper).

Social Work Practice to the Benefit of Our Clients: Scholarly Legacy of Edward J. Mullen. Edited by Haluk Soydan in collaboration with Walter Lorenz. Bozen, Italy: Bozen Bolzano University Press, 2015. Pp. 180. $28.00 (paper).

The Insane Chicago Way: The Daring Plan by Chicago Gangs to Create a Spanish Mafia. By John M. Hagedorn. Chicago: University of Chicago Press, 2015. Pp. 320. $27.50 (cloth).

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0037-7961(201603)90:1;1-U